



Social Contracting Guide

Construction + Retrofits

The Atmospheric Fund, Prepared by Buy Social Canada



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About



The Atmospheric Fund (TAF) is a regional climate agency that invests in low-carbon solutions for the Greater Toronto and Hamilton Area and helps scale them up for broad implementation.

We are experienced leaders and collaborate with stakeholders in the private, public and non-profit sectors who have ideas and opportunities for reducing carbon emissions.

Supported by endowment funds, we advance the most promising concepts by investing, providing grants, influencing policies and running programs.

We're particularly interested in ideas that offer benefits in addition to carbon reduction such as improving people's health, creating local jobs, boosting urban resiliency, and contributing to a fair society.

TAF is a proud member of the Low Carbon Cities Canada network. TAF would like to thank Natural Resources Canada for making this work possible through the Deep Retrofit Accelerator Initiative.



Buy Social Canada is a social enterprise that believes that procurement is more than an economic transaction, it contributes to community social and economic goals. We see opportunities to buy and sell with impact at all levels in the marketplace. Through social procurement advocacy, education, and consulting, we are unleashing the transformative power of the market.

Established in 2014, Buy Social Canada brings together purpose-driven purchasers and social value suppliers to build business relationships that generate social benefits for communities across the country. We work with community, private sector, and public sector to provide training, develop policy, and share resources. We offer a recognized, Canada-wide social enterprise certification that opens the door to our growing network of social purchasers.

Welcome

As a project owner or general contractor that adopts social contracting today, you have an opportunity to position yourselves as leaders within the construction sector.



Executive Summary

Social contracting is achievable, and it's increasingly being done across the construction sector.

Project owners and general contractors don't need to start from scratch.

There are existing tools, templates, and real-world examples that can be adapted to fit different project types, organizational contexts, and procurement methods. With thoughtful planning, clear objectives, and the right supports in place, social contracting can be integrated into existing processes in a practical and manageable way.

This is especially relevant for housing retrofits, where the work takes place in people's homes and communities. Social enterprises, social contractors, and diverse-owned businesses are uniquely positioned to contribute. Their models combine technical expertise with community connection, inclusive workforce development, and tenant engagement, helping to deliver projects more smoothly while creating local impact.

For project owners and general contractors, social contracting can support access to a broader and more diverse workforce, improve project delivery through stronger community relationships, and strengthen organizational reputation. At the same time, it creates tangible benefits for communities, including employment and training opportunities, strengthened local businesses, and increased trust in the process.

This guide walks you through the Plan, Deliver, and Measure phases, with ready-to-use tools at each step.

Intro

Purpose of this guide

This guide supports project owners and general contractors who want to create social value in construction and retrofit projects, while simultaneously addressing economic and environmental goals.

By addressing real and perceived challenges, this guide demonstrates what is possible, outlining practical steps and pointing to resources that build understanding and confidence. It provides actionable and simple tools and templates that can be implemented within any organization's procurement processes.

The guide seeks to increase consistency and alignment on social contracting language and approaches, so that it may become common industry practice.

"It's all about looking at what opportunities you have, and then finding ways that social contracting suppliers are able to participate. It just comes down to what are you trying to achieve on this project? And then just putting it in your scope of work."

- Brent Brodie, York University

What is social contracting?

Social contracting means "intentionally contracting with social enterprises, social contractors and diverse-owned businesses" to achieve social value outcomes. Across Ontario and Canada, this may also be referred to as 'social procurement' or 'community benefits in construction', depending on local context and preference.

- **SOCIAL ENTERPRISES** are businesses that generate a significant portion of their revenue through the sale of goods or services, embed a social, cultural or environmental purpose into the business, and reinvest 51% or more of profits.
- **SOCIAL CONTRACTORS** are social enterprises whose primary focus is creating job or training opportunities in the construction sector for people facing barriers to employment.
- **DIVERSE-OWNED BUSINESSES** are businesses that are majority owned and controlled by members of the following equity-deserving groups: Indigenous peoples, racialized communities; women; persons with disabilities/ disabled persons; and members of the 2SLGBTQIA+ community.

These groups can collectively be referred to as "social contracting suppliers".

“Respect for people is a value within our population right now, and social contracting is a step in support of this. Inclusiveness on construction sites is part of safety – recognizing that everyone belongs is as important as recognizing that a good set of gloves is going to keep your fingers intact.”

– Turner Construction Canada

Social contracting in construction and retrofits

Organizations across Canada and around the world are successfully integrating social contracting into construction and retrofit projects. It can be implemented through a range of procurement methods including competitive bids, direct awards, limited competition, and low dollar value purchases. This guide includes examples from projects across Canada of varying sizes and scopes, using these different procurement methods.

Why social contracting?

Construction and retrofits impact local economies and labour markets. If these impacts are considered with positive intent, projects can create long-lasting economic and social value for the communities in which they occur. Social contracting is a way to purposefully strive to do this.

Social contracting is a delivery strategy that, when designed intentionally, can improve project outcomes, strengthen community trust, and contribute to a more resilient construction workforce, while addressing economic, social, and environmental goals.

Why it's right for your next project

For housing retrofits, social contractors can play a particularly valuable role. Many are uniquely set up to work in tenanted buildings, where coordination with residents, sensitivity to community dynamics, and strong communication are essential. Their experience working closely with communities can help make retrofit work in occupied units smoother for residents, contractors, and project teams alike.

By applying your expertise and experience, you can help shape the future of social contracting while demonstrating what effective, community-focused delivery looks like in practice. As social value outcomes become increasingly important in procurement, those that build strong social value practices now will also gain a competitive advantage in the market.

How to Get Started with Social Contracting



Plan

Make social contracting part of the project from the start, and bring key stakeholders in early so the goals are built into the project and line up with existing policy and strategy. By the end of this phase you'll have:

- **Your bid criteria drafted**
- **Your weighting set**
- **Your targets defined**
- **A shortlist of suppliers to contact**

That's part of your procurement planning done.

“Mandated requirements are really helpful because they are clear, direct, and measurable, and from there we can recognize what resources the project teams need at the site in order to make sure that the teams are supported.”

– Turner Construction Canada

1A.

Require social contracting to be part of the project

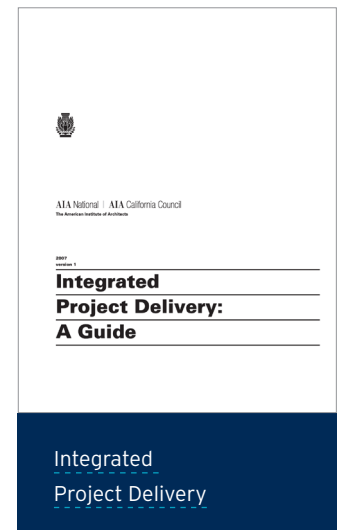
As an owner, you can demonstrate your commitment to social contracting by including project-specific requirements in a bid, and as a condition of a successful contract.

Requirements can be prescriptive (set targets) or descriptive, allowing bidders to propose targets that are co-designed with the community’s input. Once set, these requirements are included in the contract with the general contractor, who then passes them on to key sub-trades through their own bid and contract requirements.

Select a collaborative project delivery model

The delivery model chosen impacts how social contracting is implemented. More collaborative models often lead to better outcomes: they build a culture with more room to collaborate, engage, and learn.

For example, [Integrated Project Delivery \(IPD\)](#) is a fundamentally collaborative model and is often preferred by owners who want to do social contracting. Readers using other delivery models can still apply the approaches outlined in this guide and further explore [Buy Social Canada’s Guide to Social Procurement in Construction and Infrastructure Projects](#).



MYTH: "SOCIAL CONTRACTING MEANS LOWER QUALITY"

It raises it. Bidders are evaluated on the whole offer: technical expertise, price, delivery approach, and social value. The owner sets the weighting based on the project, so the strongest bid delivers quality work and broader public benefit.

MYTH: "SOCIAL CONTRACTING COSTS MORE"

In some cases, social contracting can actually reduce costs, for example when contractors utilize local social value supply chains as opposed to bringing in outside resources. In other cases, there may be an additional cost when purchasing from local suppliers or social enterprises compared to multinational corporations, but there are additional socio-economic benefits.

The Atmospheric Fund supplies free expert services to guide multi-family building owners in the GTHA through the deep energy retrofits process.

They fund up to **75%** of non-capital expenses for project owners, reducing costs for social contracting.

Include social contracting criteria and weighting

Social contracting is about adding a social value consideration alongside price, quality and environmental considerations. A purchase that delivers social value delivers the best value for your money.

Social value is commonly weighted between 5% and 25% of total evaluation scores, depending on project objectives, scope, and desired outcomes. Whatever weighting is assigned, ask the following questions to ensure the weightings are meaningful and encourage accountability:

- ☐ Is the criteria weighting high enough to make a difference in the final contract award decision?
- ☐ Are the intended social value outcomes clearly stated in the scope of work?
- ☐ Is it clear what success looks like for each outcome?

- THE CITY OF CALGARY uses a 10% weighting for the social value component of their bid, which was increased from 5% initially.
- THE CITY OF PETERBOROUGH applies a range between 5-25% for social value, depending on the procurement and the social impact the purchase may have.
- SCOTLAND PROCUREMENT ALLIANCE'S Retrofit and Decarbonization Procurement Framework has assigned a 70% weighting to quality which encompasses social value, and a 30% weighting for price.

“TARGETS”

The number or percentage assigned to a defined social contracting metric.

“METRICS”

Correspond to a related target and are the unit of measurement that will be reported on in a project.

1B.**Design social contracting goals and targets**

The next step in the process is to determine and incorporate goals and targets for social contracting. This stage might happen before or after requirements are set, depending on the level of stakeholder involvement.

To make sure that the goals are representative of community needs, conduct stakeholder engagement in parallel with the design process.

Set “aspirational but attainable” targets

Social contracting targets will vary project-to-project, based on organizational and project goals, the needs of the community, local capacity, and applicability to the scope of work.

Consider these guiding principles when designing your targets:

- ☐ Targets should be aligned with other government or organizational strategies where possible.
- ☐ Targets should be aspirational while also realistic and measurable.
- ☐ Targets should include clear and consistent language and well-defined terms.

Common language used in targets is “best efforts”. This means that the project team is expected to try to actively meet the targets as

best as they can and provide evidence of these efforts, which may include using social contracting supplier directories, hosting or attending trade shows to build relationships with suppliers, or providing feedback to unsuccessful bidders to help build their capacity.

Choose relevant social contracting metrics

Metrics can be selected based on information that is already being collected, such as contract spend and employment hours.

- **PERCENTAGE-BASED METRICS** define a percentage of activities (e.g. employment or procurement) that are assigned to identified priorities or communities. This approach means all spend is reported on, which may require more detailed tools and time, but it generates data that can reveal critical gaps.

“The contract may have certain language, but all the sub-contractors need to be aware of the expectations that are in the project and their role in meeting the outcomes.”

– Toronto Community Benefits Network

- **DOLLAR OR NUMBER-BASED METRICS** define a dollar amount or number of activities that are assigned to identified priorities or communities. This means the data collected contributes to the target only rather than all data related to that activity (e.g. only social contracting spend is reported on, not all project spend). While a simple approach, it reduces the ability to identify additional opportunities to help achieve the target over the lifetime of the project.

Tip: For a housing retrofit project, metrics could include:

- ☐ \$ value or # of contracts with social enterprises.
- ☐ \$ value or % of contracts with diverse-owned businesses.
- ☐ # of employment hours worked from social contractors*.

**You may also wish to measure the number of hours worked by specific groups hired by social contractors, including equity-deserving groups, people with barriers to employment, or tenants.*

Incorporate social contracting language into the bid process

To make sure the project’s social contracting outcomes are achieved, include rated criteria in the bid to assess bidders’ experience with social contracting and their plans to achieve the outcomes. The successful bidder should then pass down these criteria to sub-trade contracts.

Helpful tactics for aligning expectations across all parties include clear contract language, project kickoff meetings, and detailed implementation plans.

In this guide the competitive bid process is referred to as “RFx process” as a catch-all term for Request for Information, Request for Proposals, Request for Qualification and Request for Bid. See section Plan: Tools & Templates for sample RFx language.

Evaluate the bids

Bidders' responses will be evaluated and scored based on 'best value', which is inclusive of price, quality, technical, environmental, and social contracting activities. This means that existing suppliers will have the opportunity to show you how they might already be delivering on your social contracting goals. Most responses can be scored as a yes/no for simplicity, and more descriptive responses can be evaluated against pre-determined examples of 'acceptable' responses. Sample scoring criteria is included in the RFx Language Template in this guide.

Include social contracting requirements in contract terms

After selecting a bid, include social contracting requirements in the contract with the general contractor and any other key contracts. The general contractor then ensures the requirements are clearly included in all relevant sub-trade contracts.

Contract language should incorporate any targets that must be met, and any projection, reporting and engagement responsibilities. Once you've seen how a bidder responds, you can incorporate any quantities stated in their bid as targets.

Tips for removing barriers for social contracting suppliers in the bidding process:

- ☐ Solicit bids via email rather than a formal software to simplify the process.
- ☐ Provide a longer lead time for bidders.
- ☐ Allow onerous bid requirements to be completed after the contract has been awarded, including diverse business verification, financial qualifiers, insurance, equipment standards and certifications.

TIP

To support stakeholder engagement, many projects benefit from engaging an intermediary organization such as a “Social Contracting Liaison” or “Third Party Monitor” to help bridge industry and community perspectives, build trust, and coordinate stakeholders.

TIP

If you develop an internal social contracting supplier list, consider sharing the list publicly to help grow demand for social contracting and to make it easier for other project owners and general contractors to implement.

1C. Engage key stakeholders

During the design process, engagement takes place with key stakeholders such as general contractors, sub-trades, community organizations, and Indigenous partners. Their level of involvement will vary based on the project’s goals, scope, and their capacity. Engagement with Indigenous communities should happen early and meaningfully, which may include connecting with local Friendship Centres, Indigenous housing providers, and employment or training organizations.

Engaging potential social contracting suppliers

Engaging with social contracting suppliers early in the planning stage allows project teams to better understand supplier capacity, identify scopes of work, and design procurement requirements that are realistic and achievable within the local market. When these suppliers are involved from the outset, projects are more likely to deliver meaningful and measurable social value. Communicating externally that social contracting is a project priority is important to gain community buy-in, maintain accountability and signal to other owners that this work matters.

To find suppliers that align with your social contracting goals and scopes of work:

- **SEEK OUT CERTIFIED SOCIAL CONTRACTING SUPPLIERS** through directories, community newspapers or online Facebook groups. A list of relevant directories is included in the Plan: Tools & Templates section of this guide.
- **REACH OUT TO INTERMEDIARIES**, contractor associations and other community organizations to facilitate connections with suppliers. Examples of these organizations are also listed in the Plan: Tools & Templates section.
- **MAKE SOCIAL CONTRACTING OPPORTUNITIES VISIBLE** by hosting or attending trade shows. Share these opportunities directly with social contracting suppliers and with plenty of notice.

MYTH: “THERE AREN’T ENOUGH SOCIAL CONTRACTING SUPPLIERS”

Social contracting includes purchasing from a variety of suppliers. Projections and forecasting help identify opportunities that might otherwise be missed. Asking current suppliers about their own social value and the social value within their supply chains can uncover unseen opportunities.

Assessing market capacity and forecasting project needs

Assessing market capacity helps engage suppliers and the community early, understand the local market capacity for your project, and contribute to developing localized social contracting supplier directories.

Projecting upcoming procurement and employment needs helps ensure social contracting goals are met. It allows project teams to identify current suppliers who should be surveyed, and to communicate opportunities to intermediaries, social contracting suppliers, and employment and training organizations, so that they have time to prepare and respond. The owner, general contractor, and sub-trades are encouraged to provide data on projections before the project starts and regularly throughout delivery.

Tips for housing retrofit projects: Project teams should also plan for tenant or resident engagement from the start.

- ☐ **How can this project benefit tenants, and how can we ensure their needs are addressed throughout the project?**

This engagement can happen through community events where social contracting reporting updates are shared and feedback is collected to ensure the project is responding effectively to community needs.

Plan

RFX Language

Social contracting can be included as a category of rated criteria in the RFX and is a weighted part of the bid scoring process.

This template provides an example of the type of information you can request from suppliers or bidders, but questions will vary project-to-project and will be based on your social contracting goals. This example uses a yes/no scoring approach with points for 'yes' if sufficient evidence is provided.

Rated Criteria Section: Social Contracting

SECTION WEIGHTING: 5-25%
TOTAL SECTION POINTS: 6 POINTS

In an effort to maximize social value, [project] has targets relating to social contracting, which is intentionally contracting with social enterprises, social contractors and diverse-owned businesses. The following questions will determine if your business contributes to the social contracting targets.

To verify your responses, please attach any relevant third-party certifications from supplier diversity councils, evidence of incorporation, and/or provide your signature to self-attest. Without the requested evidence, no points can be awarded.

Social Contracting Suppliers

1. Is your organization a social enterprise or social contractor, based on the following definitions?

A social enterprise is a business that generates a significant portion of its revenue through the sale of goods or services, embeds a social, cultural or environmental purpose into the business, and reinvests 51% or more of profits.

A social contractor is a social enterprise whose primary focus is creating job or training opportunities in the construction sector for people facing barriers to employment.

- ☐ Yes, social enterprise
- ☐ Yes, social contractor
- ☐ No

1a. If yes, please attach proof of certification (Buy Social Canada Certified Social Enterprise or proof of non-profit incorporation).

1b. If your organization is a social contractor, please describe how you create job or training opportunities in the construction sector for people facing barriers to employment, and how you monitor, measure and report on this work.

2. Is your organization a diverse-owned business, based on the following definition?

A business that is majority owned and controlled by members of the following equity-deserving groups: Indigenous peoples; racialized communities; women; persons with disabilities/disabled persons; and members of the 2SLGBTQIA+ community.

☐ Yes ☐ No

2a. If yes, do you have a third-party certification that verifies your organization is a diverse-owned business? [Include examples of relevant third-party certification bodies].

☐ Yes ☐ No

2b. If yes to 2a, please attach proof of certification or membership.

2c. If no to 2a, do you self-attest that your business is majority owned and controlled by one or more individuals who identify as members of one or more equity-deserving groups?

☐ Yes ☐ No

Current social contracting in supply chains

3. Does your organization practice social contracting?

Social contracting is intentionally contracting with social enterprises, social contractors, and diverse-owned businesses.

☐ Yes ☐ No

If yes, please attach the relevant policy, website link, or provide evidence of implementation of social contracting in your supply chain.

4. Do you currently track the number of contracts and/or dollars spent with diverse-owned businesses and/or social enterprises in your supply chain?

Social contracting is intentionally contracting with social enterprises, social contractors, and diverse-owned businesses.

☐ Yes ☐ No

If yes, please provide evidence of your tracking methodology (for example, a report or recent data on number of contracts and/or dollar spend).

Example Question Scoring

Yes, with evidence = 1 point

No or no evidence given = 0 points

Question	Response Score	Max Points
Q1	.	1
Q2	.	1
Q3	.	1
Q4	.	1
Q5	.	1
Q6	.	1
Total	.	6

Proposed project commitments

5. In the delivery of this contract, does your organization have a strategy for ensuring a diverse supply chain that is accessible to all types of business, including where appropriate diverse-owned businesses, social enterprises, and/or social contractors?

☐ Yes ☐ No

Please describe how you will implement, monitor and measure this strategy.

Commitment to resident engagement

6. In the delivery of this contract, does your organization have a strategy for ensuring residents of [housing provider] will benefit from this project, including but not limited to directly hiring residents to deliver the contract or providing ancillary supports such as moving services, tenant engagement and communication or in-unit cleaning?

☐ Yes ☐ No

Please describe how you will implement, monitor and measure this strategy.

Directory

Social Contracting Supplier Directories & Intermediaries

Relevant directories of potential social contracting suppliers, as well as intermediaries in the Greater Toronto and Hamilton Area who can help connect you with suppliers.

This list can be used by project owners and general contractors looking for larger sub-trades, by bidders as they identify social contracting suppliers who can deliver in their supply chain, and by the general contractor and sub-trades throughout the project to identify additional opportunities for social contracting.

Social Contracting Supplier Directories

DIRECTORY/ORGANIZATION	SCOPE	TYPE
Buy Social Canada Certified Social Enterprise Directory	National (Canada)	Social enterprises
Black Business Initiative	National (Canada)	Diverse-owned businesses
Canadian Council for Indigenous Businesses	National (Canada)	Indigenous businesses
Canadian Queer Chamber of Commerce	National (Canada)	Diverse-owned businesses
Certified Women Business Enterprises Canada	National (Canada)	Diverse-owned businesses
Federal Indigenous Business Directory	National (Canada)	Indigenous businesses
Inclusive Workplace Supply Council of Canada	National (Canada)	Diverse-owned businesses
Chiefs of Ontario First Nations Business Directory	Provincial (Ontario)	Diverse-owned businesses
York University Social Procurement Vendor Directory	Provincial (Ontario) and Local (GTA)	Social enterprises, diverse-owned businesses
AfroBiz	Local (GTA)	Diverse-owned businesses

Intermediaries, Associations and Community Organizations

Afro Canadian Contractors Association (ACCA)	National (Canada)	Diverse-owned businesses
Buy Social Canada	National (Canada)	Social enterprises
Ontario Black Contractors Association (OBCA)	Provincial (Ontario)	Diverse-owned businesses
Hamilton Community Benefits Network (HCBN)	Local (Hamilton)	Diverse-owned businesses
Toronto Community Benefits Network (TCBN)	Local (Toronto)	Diverse-owned businesses

Deliver

By the end of this phase you'll have:

- Your suppliers identified
- Capacity-building underway
- Social contracting built into your procurement

Put your plan into action.

2A. Identify social contracting suppliers

Project owners, general contractors and sub-trades can use the directories included in this guide to search through the various types of trades that may provide direct services related to the project, or that provide goods and services for on-site purchases (see [Low dollar value purchases](#)).

2B. Training and capacity-building

Projects that require social contracting benefit from ongoing training and capacity-building for both social contracting suppliers and construction project teams.

Capacity-building for social contracting suppliers might include:

- **PROVIDING FEEDBACK** on unsuccessful bids to help them improve future submissions,
- **OFFERING SMALLER INITIAL CONTRACTS** to support new suppliers in building their experience and readiness for larger opportunities over time,
- **PROVIDING** onboarding, training, and on-site supervision where needed.

Project team orientation and training:

- **CAN ADDRESS PRE-CONCEIVED CONCERNS** about social contracting and ensure sustained, consistent delivery as new parties are onboarded.
- **ORIENTATION SHOULD COVER** social contracting goals and activities, and reporting tools and processes.
- **REGULAR PROJECT CHECK-INS** help track progress, identify challenges and opportunities, and provide a space to access support during delivery.

GENERAL CONTRACTOR, TURNER CONSTRUCTION CANADA, has invested in significant in-house training opportunities for social contracting suppliers. They run the [Turner School of Construction Management](#) in partnership with the Afro Canadian Contractors Association to “enhance the economic viability of underrepresented business enterprises and expand opportunities for growing construction businesses”. The 9-week certificate program is designed to prepare social contracting suppliers and their teams for procurement opportunities in construction across the Greater Toronto Area.

In addition to formal education and mentorship, Turner provides on-site training including kick-off meetings, weekly foreman’s meetings, and contractor touch points to ensure social contracting suppliers have the support they need to successfully deliver the contract while addressing challenges along the way.

"DIRECT AWARDS"

A type of non-competitive procurement that allow you to award a contract to a specific supplier without going through the competitive bid process.

MYTH: "TRADE AGREEMENTS DON'T ALLOW FOR SOCIAL CONTRACTING"

Trade agreements have parameters to work within, but they do allow social value considerations in procurement. When trade agreements apply, a procurement cannot limit who can bid or restrict to local bidders, but it can seek social value outcomes. There are also exceptions for direct purchasing from non-profits.

2c.**Social contracting during project delivery**

During project delivery, you will likely use a variety of procurement methods, including competitive bids, direct awards, limited competition and low dollar value purchases; each of which can be used for social contracting.

For competitive bidding during project delivery, you can follow the process outlined in [Phase 1: Plan](#).

Direct awards

In the private sector, trade agreements don't apply, so organizations are free to choose social contracting suppliers that meet their needs and build long-term relationships with them. Direct awards can have a more flexible process and include less administrative burden for suppliers; they are therefore a good opportunity to introduce social contracting suppliers into the supply chain.

In the public sector, trade agreements include exceptions that allow direct awards to non-profit or philanthropic organizations for above threshold purchases. This option makes it easier to align contracts with your strategic goals and social contracting objectives. For example, the City of Ottawa specifically states they allow direct awards to non-profit social enterprises in [Section 22 of their procurement bylaw](#). Learn more about these exceptions in Buy Social Canada's [Trade Agreements Primer](#).

- SINCE 2006, TORONTO COMMUNITY HOUSING CORPORATION (TCHC) HAS AWARDED \$6 MILLION IN CONTRACTS TO SOCIAL ENTERPRISES, HUNDREDS OF WHICH WERE DIRECT AWARDS. In 2013, TCHC piloted direct awards for landscaping projects to social enterprises. Since then, TCHC has worked with other social enterprises, such as Building Up on various projects, including tenant relocations during the Swansea Mews Emergency.

"LIMITED COMPETITION"

A procurement method that solicits bids among a pre-selected group of suppliers.

Limited competition

Can include:

- Creating a roster of pre-qualified suppliers that meet the definition of 'social contracting supplier'. Suppliers should be pre-selected based on the definitions of social contractor, social enterprise, and diverse-owned business.
- Requiring a minimum number of invited bidders to be social contracting suppliers, typically within a certain price threshold set by the purchaser.

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- THE CITY OF BRAMPTON'S Supplier Diversity Program requires staff who are purchasing goods and services between \$25,000 and \$100,000 to invite at least three suppliers to submit quotations, *one of which must be a certified diverse supplier*. They use the Buy Social Canada Social Enterprise Certification to identify social enterprises, along with other diverse supplier certifications to determine if an organization meets the definition.

Low dollar value purchases

Opportunities for social contracting expand beyond construction trades; smaller purchasing decisions can also contribute to local social impact. These purchases include anything under a certain threshold (e.g. \$1,500, or credit card limit), and depending on the amount may only require a receipt of sale or simple purchase order. A common and practical example is buying lunch and coffee for workers on the construction site from a local social contracting supplier.

-
- ON THE NEW ST. PAUL'S HOSPITAL DEVELOPMENT PROJECT IN VANCOUVER, Circle of Eagles Trading Post was contracted to supply 100 orange shirts for a sub-contractor's staff for Truth and Reconciliation Day. The sub-contractor was already planning on buying orange shirts for their team and was able to redirect the spend to a social enterprise that supports Indigenous peoples leaving federal institutions and those dislocated from society, while also contributing to their targets.

IN 2014, THE DISTRICT OF TOFINO SEPARATED OUT LANDSCAPING FROM A DOWNTOWN REVITALIZATION PROJECT.

The project as a whole was too complex for local suppliers and was expected to be delivered by an outside contractor, so they asked,

“How can we ensure that local businesses and employers, who are capable of doing this work, have an opportunity to bid?”

They identified that landscaping could be provided locally and even at a lower cost, so they separated the landscape component of the contract. Despite initial worry that there would be an additional cost, the results showed the opposite. Unbundling the contract allowed money to remain within the local community and generate opportunities for local businesses to grow and take on future contracts.

[Full case study.](#)

Tip: Unbundle large contracts to remove barriers for social contracting suppliers.

Rather than one large bid, consider breaking it into several smaller contracts or carve out a section for a social contracting supplier.

This allows smaller suppliers to bid while remaining a fair, open and competitive process.

For housing retrofits:

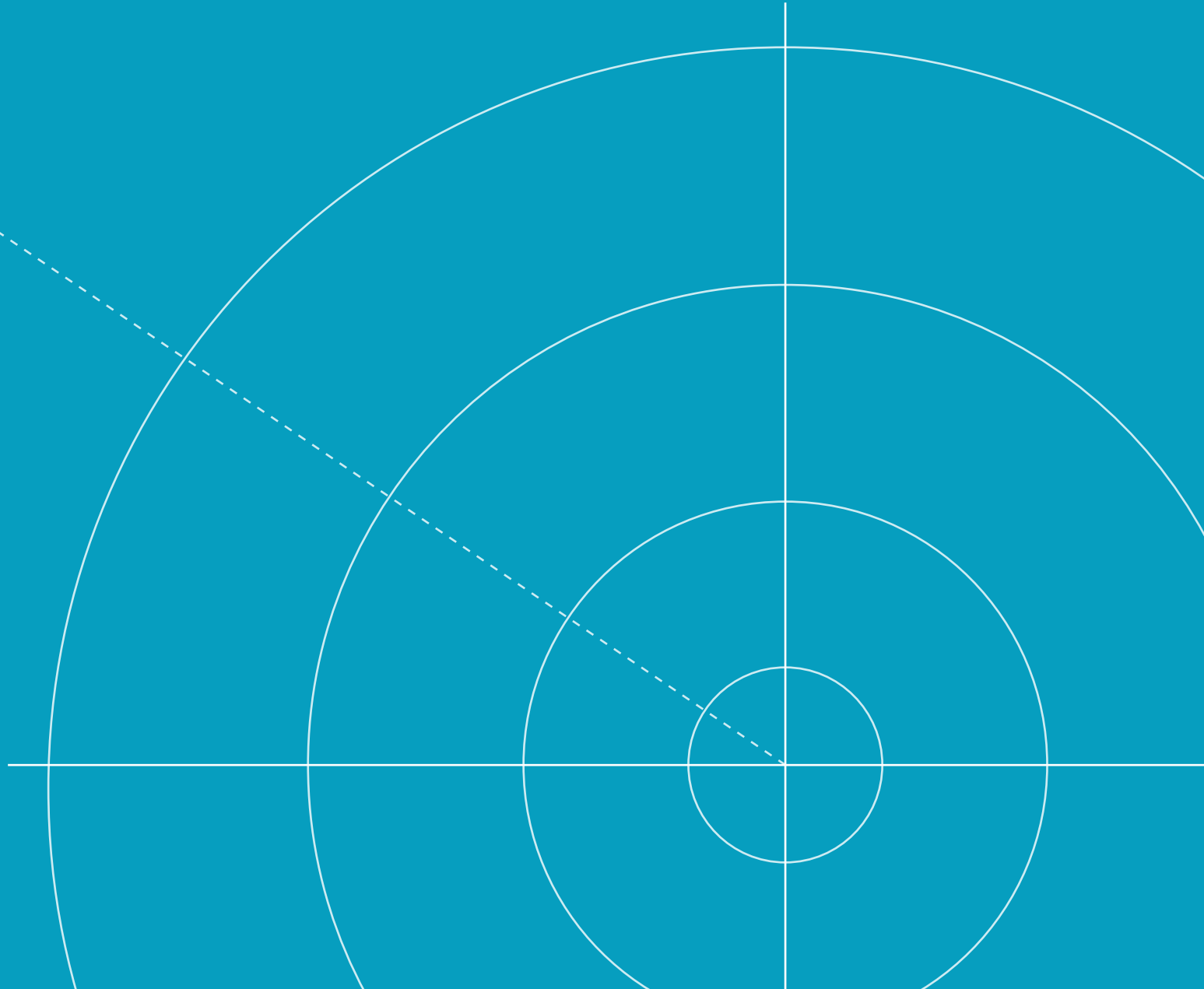
This can be done by separating out general labour, logistics, post-construction services or in-unit work like maintenance, inspections and tenant engagement, so that specialized trades can focus on core work while social enterprises deliver complementary services.

“Explaining to residents what’s happening and dealing with complicated tenants is a unique service that technicians can’t do.

Doing work in tenanted units can be challenging, and social enterprises are uniquely set up to be helpful with this.”

**- Marc Soberano,
Building Up**

Deliver



Checklist

How to Implement Social Contracting: The What, Why and How?

What

Social contracting is when construction project owners and general contractors intentionally contract with social enterprises, social contractors (work-integrated social enterprises that work in construction) and diverse-owned businesses. These businesses can be referred to as “social contracting suppliers”. Typically, the project owner initiates the inclusion of social contracting at the start of the project.

Why

Many construction and retrofit project owners and general contractors are simultaneously trying to address economic, social and environmental goals. Social contracting helps achieve these goals faster and more effectively. By contracting from suppliers rooted in the communities in which work is being done, projects can help build trust, create local opportunities, and demonstrate tangible benefits for residents.

How: Checklist + Key Roles

PHASE 1 PLAN

- ☐ **Require social contracting on the project**
OWNER
- ☐ **Design social contracting goals and targets**
OWNER, GENERAL CONTRACTOR, ALL KEY
STAKEHOLDERS
- ☐ **Engage key stakeholders**
OWNER, GENERAL CONTRACTOR

PHASE 2 DELIVER

- ☐ **Identify social contracting suppliers**
OWNER, GENERAL CONTRACTOR, SUB-TRADES
- ☐ **Capacity-building for suppliers**
OWNER, GENERAL CONTRACTOR, SUB-TRADES
- ☐ **Orientation and training for project teams**
OWNER, GENERAL CONTRACTOR
- ☐ **Social contracting during project delivery**
OWNER, GENERAL CONTRACTOR, SUB-TRADES

PHASE 3 MEASURE

- ☐ **Data collection**
OWNER, GENERAL CONTRACTOR, SUB-TRADES
- ☐ **Reporting**
OWNER, GENERAL CONTRACTOR, SUB-TRADES
- ☐ **Communications and storytelling**
OWNER, GENERAL CONTRACTOR

Measure

By the end of this phase you'll have:

- Your data collected
- Your results reported
- Stories from the project ready to share

This is where you build the case for next time.

3A. Data collection

Data can be collected through surveys, spreadsheets, or custom software. The process can be kept simple and matched to the project size, reporting frequency, and participant capacity.

To capture the full impact of social contracting activities, reporting should include the project owner, general contractor and sub-trades. To help reduce the burden on smaller contractors, you can set a financial threshold so that only larger sub-trades with contracts over that threshold are required to report on how their spend contributes to the targets.

A supplier survey helps gather data from potential, new, and existing suppliers. The survey can be sent either during or after they have been selected, to track their contributions to the project's social contracting goals. *You can find sample data input tables and a survey template in the Measure: Tools & Templates section of this guide.*

Tip: For verifying diverse-owned businesses, use self-attestation to remove barriers of inclusion.

While third-party certification has historically been the most common approach to verifying diverse-owned businesses, there is an emerging practice of accepting self-attestation as a way of removing real and perceived barriers of inclusion for diverse-owned businesses. Self-attestation is a self-declared model, meaning an individual states that they are diverse-owned, without a third-party verification.

As a way to mitigate risk, many organizations who are adopting self-attestation are setting a dollar threshold, using third-party certification for high-dollar purchases and self-attestation for below-threshold purchases.

For more information on self-attestation and other approaches to supplier verification, see AnchorTO's research report ["Self-Attestation: Removing Barriers to Diversity in Supply Chains"](#).



Buy Social Canada:
St. Paul's Hospital
Development



Metrolinx: Year in Review
2024-2025

3B. Reporting

Reporting on social contracting allows you to demonstrate your commitment to achieving social value outcomes and showcase the project's positive impact.

Common practices include:

- **REGULAR WORKING GROUP MEETINGS:** Reporting may be presented at these meetings, attended by the owner, general contractor, sub-trades, and the intermediary if applicable. These working groups provide a space for challenges, successes and resources to be shared.
 - **ANNUAL REPORT:** Committing to an annual report is a common method to create regular accountability. Make reports public to leverage transparency as an additional accountability mechanism.
 - **PROJECTIONS:** In addition to reporting on social contracting activities that have already occurred, report on projections or forecasts for upcoming activities. This allows the project team to plan for and identify opportunities, and demonstrate “best efforts” to achieve outcomes. Projections can be reviewed and discussed during the working group meetings.
-
- **FOR THE NEW ST. PAUL'S HOSPITAL DEVELOPMENT IN VANCOUVER,** Buy Social Canada publishes annual blog posts reporting on their targets and social value outcomes. It includes a mix of quantitative and qualitative data.
[Read the 2025 update here.](#)
-
- **IN ONTARIO, METROLINX PUBLISHES A 'YEAR IN REVIEW' REPORT** that demonstrates progress toward their Community Benefits & Support Program across all transit projects. This data is also shared during public Community Meetings in areas where construction is taking place.
[Find their annual reports here.](#)

3C.

Communications and storytelling

Share social contracting results with your marketing and business development teams, not just your project managers.

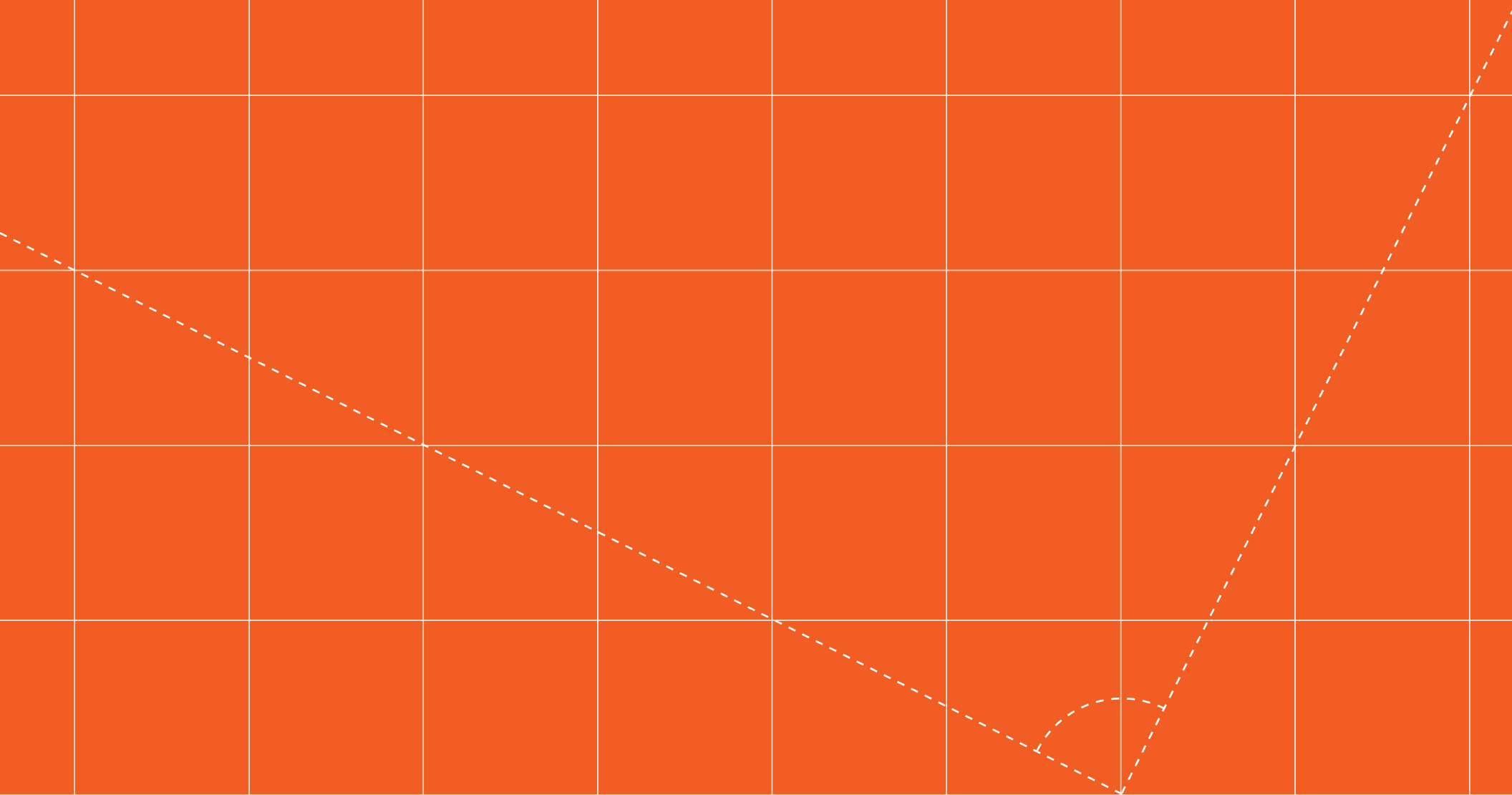
Documented outcomes like apprenticeships started, hours worked, and community feedback signal to future clients and funders that your company delivers on social value, and that you're thinking beyond the contract. That record puts you ahead of competitors who can only promise it.

There's a project-level return too. At Sparroway, Toronto Community Housing residents saw the Building Up crew on site, applied, and moved into the trades.

Turner Construction describes stronger safety culture and cohesion on crews that include social enterprise workers. When your project produces stories like these, capture them – for the team's morale now, and for the people you'll attract next time.



Measure



Data

Data Input Tables

The tables shown are two examples of how data could be inputted into a simple spreadsheet. The type of data collected will depend on the specific project goals and social value outcomes identified for social contracting.

Sample 1. Data input table for dollar or number-based metrics

NAME OF SUPPLIER	CATEGORY OF SUPPLIER	SUPPLIER VERIFICATION	CONTRACT VALUE	EMPLOYMENT HOURS
<i>Text</i>	<i>Select from drop-down</i>	<i>Select from drop-down</i>	<i>Dollar spend (\$)</i>	<i>Hours (#)</i>
	Social contractor	Third-party certification	N/A	300
	Social contractor	Third-party certification	\$2,500	N/A
	Diverse-owned business	Self-attestation	\$50,000	N/A

Sample 2. Data input table for percentage-based metrics

NAME OF SUPPLIER	SOCIAL CONTRACTING SUPPLIER?	CATEGORY OF SUPPLIER	SUPPLIER VERIFICATION	CONTRACT VALUE	EMPLOYMENT HOURS
<i>Text</i>	<i>Yes / No</i>	<i>Select from drop-down</i>	<i>Select from drop-down</i>	<i>Dollar spend (\$)</i>	<i>Hours (#)</i>
		Social contractor	Third-party certification	N/A	300
		Social contractor	Third-party certification	\$2,500	N/A
		Diverse-owned business	Self-attestation	\$50,000	N/A

Survey

Supplier Survey Template

The language in this document should align with the definitions used for social contracting suppliers and is used to identify them in the supply chain, whether existing, new, or potential.

Social Contracting Supplier Survey

[Include a description of the social contracting outcomes desired for the specific project, why this survey is being conducted and how the data will be used].

1. Is your organization a social enterprise or social contractor?

[Insert definitions of social enterprise and social contractor].

- ☐ Yes, social enterprise
- ☐ Yes, social contractor
- ☐ No
- ☐ Unsure

2. Do you have a third-party certification verifying that your business is a social enterprise or social contractor?

Recognized Certification: Buy Social Canada Certified Social Enterprise (Certification)

- ☐ Yes
- ☐ No

If yes, please attach proof of certification.

3. Do you have a third-party certification verifying that your business is majority owned and controlled by one or more individuals who identify as members of one or more equity-deserving groups?

[Insert definition of equity-deserving groups].

- ☐ Yes
- ☐ No

If yes, please indicate the group(s) and attach proof of certification.

- ☐ Indigenous peoples;
- ☐ Racialized peoples;
- ☐ Newcomers;
- ☐ Persons with disabilities;
- ☐ Women;
- ☐ 2SLGBTQIA+ peoples;

4. Do you self-attest that your business is majority owned and controlled by one or more individuals who identify as members of one or more equity-deserving groups?

- ☐ Yes
- ☐ No

If yes, please indicate the group(s) and provide a signature below.

- ☐ Indigenous peoples;
- ☐ Racialized peoples;
- ☐ Newcomers;
- ☐ Persons with disabilities;
- ☐ Women;
- ☐ 2SLGBTQIA+ peoples;

5. Do you agree that all the information given above is correct and true and can be verified if needed?

- ☐ Yes
- ☐ No

Signature

Today's Date

Case Study



**Building
Improvements
Coming Soon!**

In summer, 1-15 Field Sparrow and Tree Sparrow are renovating.
comfortable and provide carbon emissions

Building for a Better Future

About the project

The Atmospheric Fund and Toronto Community Housing Corporation partnered on a multi-measure, deep energy retrofit at Field and Tree Sparrow, a townhouse complex in North York home to about 175 families. The general contractor on this project was Turner Construction.

The key measure was the installation of mini-split heat pumps and electric baseboards with smart controls, which brought cooling to the residents' living spaces. It also included:

- Ventilation upgrades
- LED lighting
- Conversion of gas domestic hot water systems to electric

**The project targeted a
50% reduction in energy
and carbon emissions.**

Choosing social contracting

TAF and TCHC wanted this project to create additional social and economic community benefits alongside the environmental benefits.

TAF partnered with social contractor Building Up, a non-profit construction social enterprise that gives people experiencing barriers to employment pathways to successful careers in the trades.

By including social contracting as part of the project, TAF and TCHC could achieve their own organizational and project goals while the local community was also connected to the work, building trust and showcasing positive co-benefits of energy retrofits.

TAF PROVIDES up to 75% of funding for projects that use social contracting, making it an attractive option for building owners and contractors undertaking retrofits.



Removing barriers to make it happen

To integrate Building Up into the project, TAF unbundled the larger contracts, creating a separate section of specific tasks and work for the Building Up trainees.

Their work included general labour support, such as:

- Furniture moving
- Unit audits and preparation
- Moving of materials
- Construction cleanup

“This project is a perfect example of solving multiple complex challenges with a cohesive and intentional strategy...”





...We are so grateful to TAF and TCHC for truly acting on their values and, through Building Up, connecting the work related to improving housing, with the residents living in housing looking for opportunities to build experience and careers in the construction trades."

— Marc Soberano,
President, Building Up

The results

Over 10 months of construction, TAF supported 38 Building Up trainees on the site, who collectively contributed 5,500+ hours towards the project.

The valuable on-site experience trainees gained by learning from and supporting Turner Construction and other subcontractors is a step towards lower unemployment, more skilled workers in the trades, and breaking cycles of systemic inequity.

Through this project, Building Up was able to connect its trainees to important retrofit work

in their local communities. When social housing residents see Building Up on site, it often leads to inquiries about the program and oftentimes new applications. As a result, many TCHC residents have taken part in Building Up's programs.

Gaining experience as a Building Up trainee on project sites like Field and Tree Sparroway can have long-term, life-changing impacts. Since its inception, 820 people have graduated from Building Up's program, and 80% of those graduates are still active in apprenticeships today.

Appendix

Glossary

COMMUNITY BENEFITS: Social, economic, or environmental outcomes that municipalities and/or private businesses commit to delivering to local communities during development projects or business activities. (CITY OF HAMILTON)

DIVERSE-OWNED BUSINESS: A business that is majority owned and controlled by members of the following equity-deserving groups: Indigenous peoples; racialized communities; women; persons with disabilities/disabled persons; and members of the 2SLGBTQIA+ community. (BUY SOCIAL CANADA)

EQUITY-DESERVING GROUPS: Groups who have historically been denied equal access to employment, education, and other opportunities and includes, without limitation, the following: Indigenous peoples, racialized communities, newcomers, refugees and asylum seekers, persons with disabilities/disabled persons, women, gender minorities, members of the 2SLGBTQIA+ community, and others experiencing barriers to economic opportunity and participation. (BUY SOCIAL CANADA)

SELF-ATTESTATION (OR SELF-IDENTIFICATION): The attestation that an organization meets the definition of a specific type of business. For diverse-owned businesses this would attest that an individual identifies as belonging to a specific equity-deserving group and that they hold majority ownership of the business, with no external proof or documentation. It likely involves a self-attestation form, with signature and date but could be just a check box or signing up to join a directory. (BUY SOCIAL CANADA)

SOCIAL CONTRACTING: Intentionally contracting with social contractors, social enterprises, and diverse-owned businesses to achieve a social value outcome.

SOCIAL CONTRACTING SUPPLIER: A social contractor, social enterprise, or diverse-owned business.

SOCIAL CONTRACTOR: A social enterprise whose primary focus is creating job or training opportunities in the construction sector for people facing barriers to employment.

SOCIAL ENTERPRISE: A business that generates a significant portion of its revenue through the sale of goods or services, embeds a social, cultural or environmental purpose into the business, and reinvests 51% or more of profits. (CITY OF TORONTO)

SOCIAL PROCUREMENT: Every purchase has a social, economic, and environmental impact. Social procurement is about using existing purchasing to capture those impacts to achieve overarching institutional, governmental, or individual goals that help shape inclusive, vibrant and healthy communities. (BUY SOCIAL CANADA)

SOCIAL VALUE: Social value refers to the impacts of programs and organizations on the wellbeing of individuals and communities. Social enterprises and social contractors can generate social value by innovating products and services that meet community needs and participating in social contracting.

SOCIAL VALUE OUTCOMES: Social, environmental, or cultural effects shown in quantitative metrics. These include employment hours; jobs; contract spend; number of contracts; etc.

SUB-CONTRACTOR: Any sub-contracted organization that may or may not be doing work on site (e.g. supplying materials), and may or may not be required to report on social contracting outcomes.

SUB-TRADE: A sub-contracted organization that is completing work on-site and may be required to report on social contracting outcomes.

THIRD-PARTY CERTIFICATION: Verification by an external third-party entity that confirms an organization meets the definition of a specific type of supplier. Certification usually involves an application, review process, and certification fees. Third-party certification shows that an organization has gone through a specific process and has been verified by the issuing body (ex: a Supplier Diversity Council). (BUY SOCIAL CANADA)

Tool Library

General Resources

- [☐ Community Benefits in Construction Guide](#)
(BUY SOCIAL CANADA)
- [☐ Guide to Social Procurement in Construction & Infrastructure Projects](#) (BUY SOCIAL CANADA)

Phase 1: Plan

- [☐ Social Value Menu for Goods and Services](#)
(BUY SOCIAL CANADA)
- [☐ City of Edmonton Social Value Considerations](#)
- [☐ City of Calgary Social Procurement Questionnaire](#)
- [☐ City of Winnipeg Social Procurement Questionnaire](#)
- [☐ Regional Municipality of Wood Buffalo Social Procurement Questionnaire](#)

Phase 2: Deliver

- [☐ British Columbia Social Procurement Initiative \(BCSPI\) Case Studies](#)
- [☐ Community Benefit Agreement \(CBA\) Liaison Services Outline](#) (BUY SOCIAL CANADA)
- [☐ Finch West LRT Community Benefits Implementation Plan](#) (SECTION 15)
- [☐ Trade Agreements Primer](#) (BUY SOCIAL CANADA)

Phase 3: Measure

- [☐ City of Peterborough Social Procurement Supplier Survey](#)
- [☐ Metrolinx Community Benefits & Support Program Year in Review reports](#)
- [☐ New St. Paul's Hospital 2025 Community Benefits Report](#)

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