

Title of meeting: Cabinet

Date of meeting: 09/03/21

Subject: Social Value Policy

Report by: Natasha Edmunds

Wards affected: All

Key decision: Yes/No

Full Council decision: Yes/No

1. Purpose of report

This Social Value Policy sets out the Council's formal position in response to several drivers:

- The restorative opportunities to build back better, and greener.
- To complement the City Vision and its objectives.
- Unlocking greater value in the supply chain through commissioning, procurement, and contract management.
- Strengthen the 'Portsmouth Pound' through greater support of the local economy and generating inward investment.
- Develop and grow new and existing partnerships, embedding value at the heart of them

^[i] <https://www.gov.uk/government/publications/social-value-act-introductory-guide>

^[ii] <https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

^[iii] <https://www.gov.uk/government/publications/procurement-policy-note-1120-reserving-below-threshold-procurements>

The Social Value Policy presented for approval has been developed by drawing on an evidence base derived from engagement with PCC services already engaged in delivering social value initiatives, desk top analysis of good practice in social value in both the public and private sectors, workshops with a cross section of council staff and the work of the Social Value Working Group.

Details are provided in the Supporting paper in Appendix 3.

2. Recommendations

- I. Formally adopt the social value policy that reinforces a strategic position relating to social value as described in Appendix 1
- II. Adopt the roadmap principles, direction and confirm the key actions required to get to social value maturity within the timeline set out as described in Appendix 2.

3. Background

The Local Government Act 2000 reminds us that fundamentally, the objective of any local authority should be: “The promotion or improvement of the economic, social and environmental wellbeing of their area.”

The UK government has demonstrated commitment to small and medium-sized enterprises (SMEs) by introducing several initiatives designed to increase SME participation.

The 2020 review of the Green Book aimed at levelling up Government expenditure across the UK played a central role in raising the profile of social value delivered through public spending. The Green Book is the Government’s guidance on options appraisal and applies to all proposals that concern public spending, taxation, changes to regulations, and changes to the use of existing public assets and resources. It is vital for designing interventions that both achieve government policy objectives and deliver social value for money - i.e. that maximise the delivery of economic, social and environmental returns for UK society for every pound of public funds spent.

As a result of the global pandemic there is a demonstrable need for the Council to take a formal strategic approach to building social value into how it facilitates the city's recovery with the aim of delivering positive social, economic and environment impact.

4. Reasons for recommendations

The Council recognises the need to further formalise its position and response to social value.

The social value policy sets out the obligations and opportunities that span across the Council. Furthermore, it is responsive to the Central Government updated Public Procurement Notice 6/20ⁱⁱⁱ and 11/20ⁱⁱⁱ. This policy will align with and complement the Councils existing policies and strategies. It will further align with the emerging ISO Social Value standard (BS8950)ⁱⁱⁱⁱ and the UN Global Sustainable Development Goals and the 2020^{lv} Transforming Public Procurement Green Paper^{lv}, that proposes the UK’s procurement reforms post Brexit.

Furthermore, the policy supports many of the Portsmouth City Vision objectives approved in December 2020,

A healthy and happy city | A city rich in culture and creativity | A city with a thriving economy | A city of lifelong learning | A green city | A city with easy travel

Together with a natural alignment to the Councils Corporate Priorities - 2018

- Make Portsmouth a city that works together, enabling communities to thrive and people to live healthy, safe, and independent lives.
- Encourage regeneration built around our city's thriving culture, making Portsmouth a great place to live, work and visit.
- Make our city cleaner, safer and greener.
- Make Portsmouth a great place to live, learn and play, so our children and young people are safe, healthy, and positive about their futures.
- Make sure our Council is a caring, competent, and collaborative organisation that puts people at the heart of everything we do.

^[i] <https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts>

^[ii] <https://www.gov.uk/government/publications/procurement-policy-note-1120-reserving-below-threshold-procurements>

^[iii] <https://www.bsigroup.com/en-GB/blog/Environmental-Blog/introducing-the-new-british-standard-on-social-value/bs-8950---guide/>

^[ix] <https://sdgs.un.org/goals>

^[x] <https://www.gov.uk/government/consultations/green-paper-transforming-public-procurement>

Implementation of the policy will be the formal position from which the Council will build upon, to increase the level of social value being delivered and retained within the City boundaries.

5. Integrated impact assessment

The integrated impact assessment for the Policy document has identified no negative impact in the approval and implementation of the policy document.

The process acknowledges that full implementation may require further I.I.A. as policies and processes are reviewed and updated.

6. Legal implications

6.1 Under section 1(3) of the Public Services (Social Value) Act 2012 the Council has a specific statutory duty, when procuring contracts for the provision of services on its behalf (or the provision of services together with the purchase or hire of goods or the carrying out of works) to consider at an early stage in the procurement process:

- (a) how what is proposed to be procured might improve the economic, social and environmental well-being of its area, and

(b) how, in conducting the process of procurement, it might act with a view to securing that improvement.

- 6.2 Assurance of compliance with this statutory duty is provided for within the Council's adopted internal procurement procedures.
- 6.3 This report, together with the proposed Social Value Policy and Roadmap Principles, sets out how these social value objectives can be developed and applied as appropriate more broadly across the range of the Council's activities and functions.
- 6.3 The report further describes how such wider application of social value principles and objectives can enhance the pursuit of a broad range of the Council's existing corporate and strategic objectives and is wholly consistent with emerging national policy in this area.
- 6.4 Adoption and implementation of the proposed Social Value Policy is consistent with the Council's power to promote the economic, social and environmental well-being of its area as originally enacted in Section 2 of the Local Government Act 2000 and since replaced by the general power of competence of local authorities under Section 1(1) of the Localism Act 2011.

7. **Director of Finance's comments**

Financial implications arising from the recommendations of this report will be met from existing budget provision.

Signed by:

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Natasha Edmunds
Director of Corporate Services

Appendices:

- 1) Portsmouth City Council Social Value Policy
- 2) Portsmouth Road Map Summary
- 3) Additional Report

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
A new vision for Portsmouth's future	https://www.portsmouth.gov.uk/2021/01/29/a-new-vision-for-portsmouths-future/ https://imagineportsmouth.co.uk/
Portsmouth City Council - Our council priorities	https://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/our-council-priorities/
VCSE: A guide to working with government	https://www.gov.uk/government/publications/social-value-act-introductory-guide
Public Procurement policy	https://www.gov.uk/guidance/public-sector-procurement-policy
Procurement Policy Note 06/20 Taking account of social value in the award of central government contracts	https://www.gov.uk/government/publications/procurement-policy-note-0620-taking-account-of-social-value-in-the-award-of-central-government-contracts
Procurement Policy Note 11/20 Reserving below threshold procurements	https://www.gov.uk/government/publications/procurement-policy-note-1120-reserving-below-threshold-procurements
A guide to the social value standard BS 8950:2020	https://www.bsigroup.com/en-GB/blog/Environmental-Blog/introducing-the-new-british-standard-on-social-value/bs-8950---guide/
United Nations goals	https://sdgs.un.org/goals
Green Paper: Transforming public procurement	https://www.gov.uk/government/consultations/green-paper-transforming-public-procurement

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by: