

Portsmouth City Council

Social Value Policy

March 2021

## **Introduction**

Portsmouth is a coastal city with an incredible waterfront, a rich cultural heritage, and a strong maritime history. With a naval base, international port, and strong local links across the south, we are the centre of culture and enterprise for our area.

Portsmouth has a population of over 207,000 and more than 6,500 businesses. The local people who live and work in Portsmouth are central to the impact and legacy of the social value policy.

Each year the Council distributes public funding and needs to ensure that value for money is achieved, across a wide range of services and functions. There is both obligation and opportunity to ensure that the public funding leverages social and local value for the benefit of local people, businesses and our environment.

## **Social Value Definition**

The Public Services (Social Value) Act 2012<sup>i</sup> came into force on 31st January 2013. Local authorities and other public bodies have a legal obligation to consider the social good that could come from the procurement of services before they embark upon it. The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, the Council considers the wider impact of the services delivered. It allows authorities, for example, to choose a supplier under a tendering process who not only provides the most economically advantageous tender but one which goes beyond the basic contract terms and secures wider benefits for the community.

As the government has not provided a specific social value definition, it is important that we as a council take the time to define what this means to both our internal and external stakeholders – what it means to Portsmouth. We have set out below our definition of social value from which we move forward with a set of council-wide thematic areas and principles.

### **Portsmouth Social Value is:**

***'The lasting and positive impact that we create through the way in which we act to shape a resilient future, for our local and regional communities, businesses and environment'***

Our definition will be achieved through delivering impact, with examples set out in the following areas:

- **Social Impact.** Improving the physical and mental wellbeing of local people, strengthening community spirit and collaboration to reduce poverty and social isolation, supporting young people, disadvantaged groups and address inequality, by raising aspirations of our future generations.

- **Economic Impact.** Improving opportunities for our local SMEs, greater inclusion of the VSCE and social enterprise sectors within our supply chains, driving down unemployment, upskilling the future workforce and addressing skills gaps through apprenticeships and similar schemes. Driving up inward investment and harnessing the Green Revolution to 'build back better'.
- **Sustainability Impact** working towards our 2030 Carbon Net Zero goal<sup>ii</sup>, improving our air quality, and enhancing our biodiversity through net gains. Evaluating our approach to placemaking and taking care of our heritage as a 'Port City.' Ensuring that communities and businesses are educated and empowered about the vital roles they play in delivering a sustainable future, one which builds back greener.

These are just some of the main ways in which this policy will support us to fulfil not only our city vision but also our social value definition.

The policy is underpinned by the leadership role that we are committed to taking, both as an organisation, and within our wider remit both regionally and on the national stage to drive forward social value.

## Policy Context

Portsmouth City Council recognises our responsibility to comply with the Public Services (Social Value) Act 2012<sup>iii</sup> and the Public Contracts Regulations 2015<sup>iv</sup>. This policy builds upon the Council's existing good work to date and underpins the creation of value for money through the Portsmouth City Vision 2040<sup>v</sup>. The social value policy amplifies how the Council can *create big, bold plans for what we want in future; for ourselves, our families, our communities, our businesses, and our co-workers.*

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 6/20<sup>vi</sup> and 11/20<sup>vii</sup>. This policy will align with and complement the Council's existing policies and strategies. It will further align with the emerging ISO Social Value standard (BS8950)<sup>viii</sup> and the UN Global Sustainable Development Goals and the 2020<sup>ix</sup> Transforming Public Procurement Green Paper<sup>x</sup>, that proposes the UK's procurement reforms post Brexit.

It is a policy that defines how the Council delivers value for money for our **local and regional economy, people, and environmental sustainability**. It demonstrates the Council's position on addressing inequality, and its moral requirement to ensure the greatest value is delivered through the Council's leadership, and the actions it takes as a public sector body.

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<sup>1</sup> <https://www.gov.uk/guidance/public-sector-procurement-policy>

The social value policy will be cross-cutting and unifying as it forms one of three pillars that support Portsmouth in achieving our City Vision.

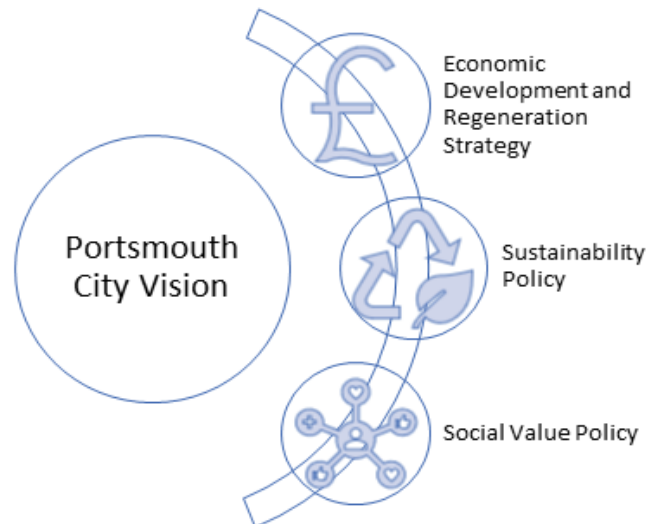


Figure 1

Whilst the social value policy is focused on the strategic position of the Council, it seeks to reflect a shared vision for the City, and more broadly our regional role. The policy reflects a wide range of partners and stakeholder drivers. (e.g., local residents and anchor organisations)

### **Our City Vision Values**

We believe in our community: we will be so proud of our strong and friendly community spirit, how we all take care of each other, keep each other safe, help each other out, and make sure we all feel we belong

- We believe in collaboration: we will all take responsibility for our city and we enjoy working together for the common good, across neighbourhoods, communities, organisations, sectors, and businesses.
- We believe in equality: we will be a fair and equal city where everyone has the opportunity to succeed, enjoy and thrive in the life they want to live, and so we welcome and support each other without discrimination.
- We believe in respect: in 2040 we know every person in Portsmouth has a valuable contribution to make, whether we live, work, study or visit here, so we respect each other's differences, and make sure everyone feels included and safe.
- We believe in innovation: we are ambitious and action-oriented, welcoming new ideas and embracing changes that improve people's lives.

The values defined within the vision have been developed in consultation with more than 2,400 residents and we are committed to social value being a dynamic and responsive position that the Council takes.

### **Our Corporate Priorities (2018)**

The context surrounding this policy is also underpinned by the 2018 Council corporate priorities<sup>xi</sup> that provide the internal benchmark. We can deliver external impact as follows:

- 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.

## **2. BACKGROUND**

This policy has been established during a time of significant national (and global) challenge. The public sector is strengthening its role as it supports local people, and economies to reduce inequality and build back better. The policy seeks to nurture and harness the local resilience demonstrated during the Covid-19 pandemic. To align with a council-wide social value strategy that creates **positive opportunities** for greater equality that shapes a happier, safer, and sustainable Portsmouth for generations to come. The policy incorporates the social value that we create through our activities. This may include activity that delivers social value outside of the Portsmouth City boundaries.

This social value policy sets out a formal position for the Council 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.
- Responding to Central Government policy and legislation. (e.g., The Public Services Act 2012<sup>xii</sup>, Public Procurement Note 06/20<sup>xiii</sup> and 11/20<sup>xiv</sup>)

The policy is aligned to the Public Services (Social Value) Act 2012<sup>xv</sup>. The Act requires Councils to consider Social, Environmental and Economic factors when commissioning, procuring and contract managing goods and services. The policy has been created to build upon public sector best practice for embedding social value. It has also responded to emerging legislation and the direction of central government.

Our social value policy clearly defines:

1. Alignment with the values we share with residents, partners, local businesses and other stakeholders.
2. A social value definition that is reflective of what this means for the Council, and what it means to Portsmouth.
3. Specific social value thematic areas which are aligned to and complement the City Vision.
4. The key principles showing how the Council embeds practical and effective delivery of social value. Achieved through a dynamic set of cross-council initiatives, practices, and processes.
5. The scope in which social value will be embedded within the Council's existing activity and alignment with current strategies and policies.

## **Social Value Levers**

We are committed to delivering on a social value policy that embeds lasting value through a council-wide strategy. A strategy that amplifies our existing good practice continues to provide a unifying and needs-led approach to delivering value for money.

We recognise as a council there will be many levers that enable us to unlock the hidden value we create, and to increase our council-wide value in the years ahead.

The levers include (but are not limited to):

- Commissioning, Procurement and Contract Management
- Regeneration and Planning
- Education and Skills
- Employment and Volunteering
- Portsmouth Partnerships
- Council Employee Engagement

- Cultural change and social value' business as usual'
- Local and regional partnerships
- Consistent and quality communication
- Recognition of commitment and delivery

## **Social Value Policy Aims**

In delivering this policy our aim is to achieve social value through the way in which we operate as a public sector body, and through the way in which we spend public money. The policy aims are to ensure that we continue to make Portsmouth a healthy, vibrant, and sustainable city for all who live, learn, and work here. We have set out below our highest aspirations for Portsmouth by 2040, and this policy aims to contribute directly or indirectly to each of these aspirations.

Our Aspirations (as set out in our City Vision)

**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**

We recognise that the Council is already achieving positive impact within some existing contracts, commissioning approaches, partner engagement and existing complementary policies, providing robust opportunities for a resilient recovery.

We recognise that social value is already being achieved within the City without any significant direct intervention by the Council through local socially minded business partners, existing social enterprises and the work of key partners.

We recognise that in some areas, the value of this activity is not being fully measured, therefore we have hidden value which we want to uncover, measure, and celebrate. As we move forward with the aims of the policy, we will utilise our social value strategy to ensure we capture the value of existing good practice, to celebrate, communicate and amplify this value.

## **Social Value Principles**

To deliver a council-wide policy we recognise that the aims of the policy will remain flexible enough to allow for the areas of scope to deliver social value in the way most appropriate to their requirements. We have outlined a set of principles that act as **'levers'** which work towards the delivery of our social value definition, thematic areas, and city vision aspirations.

Innovation and leadership are the driving force behind our levers and achieving this policy. We recognise and welcome the role of innovation in the role that we play when building back better and showcasing social value. Our Leadership will allow us to use our social value principles to galvanise social value across our activities, our Council, and our City for generations to come.

- Consult - with key stakeholders through regular engagement to uphold a 'needs led' approach to the development of social value.
- Design –co production of services that are underpinned by the social value policy, city vision and legislation.
- Develop - an ecosystem that is value driven, with transparent and robust systems and processes.
- Manage - social value will become 'business as usual' as we effectively manage the way in which we deliver value for money.
- Embed - social value within the culture of our Council, local businesses, supply chain, partners, and residents.
- Improve - our social value through effective measurement that enables us to define what good looks like and push the boundaries of delivering value for Portsmouth.

## Appendix 1 – Summary Roadmap

## Appendix 2 – Support Briefing Paper

## Glossary

Outputs	The frequency and type of activity delivered.
Outcomes	The change experienced as a result of the outputs being delivered.
Impact	The difference the change makes as a result of the outputs being delivered.
Value	The monetary worth of the impact being delivered
Local Value	Actions, activity and benefits for residents, communities, and businesses within the Portsmouth City postcode area.

<sup>i</sup> <https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources>

<sup>ii</sup> <https://democracy.portsmouth.gov.uk/documents/s25687/Response%20to%20Climate%20Emergency%20Strategy%20appendix%20A.pdf>

<https://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/our-council-priorities/>

<sup>iii</sup> <https://www.gov.uk/government/publications/social-value-act-introductory-guide>

<sup>iv</sup> <https://www.gov.uk/guidance/public-sector-procurement-policy>

<sup>v</sup> <https://www.portsmouth.gov.uk/2021/01/29/a-new-vision-for-portsmouths-future/>

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

<sup>vii</sup> <https://www.gov.uk/government/publications/procurement-policy-note-1120-reserving-below-threshold-procurements>

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

<sup>ix</sup> <https://sdgs.un.org/goals>

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



