

Appendix 1 - Roadmap to Development and Implementation

There is an opportunity to embed social value at the very heart of Portsmouth City Council and continue to grow its positive influence across the Portsmouth public, private and third sectors. This transition can be broken down into five distinct stages that enable social value maturity. Each of the stages needs to be satisfied before moving on to the next stage.

It is possible to reach social value maturity well in advance of the 2040 City Vision goal. The Social Value Business forecasts that significant changes will occur across the Council within 2 years. It could take up to a further 3 years to complete and embed the change in mindset and for social value to be delivered as 'business as usual' across the Council. This forecast is based on a medium-paced trajectory; there are opportunities to accelerate this timeline by learning from current national best practice, and adequately planning/resourcing the changes required. This includes investment into the additional capacity/resources, increasing current capability, development of new processes, and systems needed to support integrated, embedded social value development and rollout and recognise the social, environment and economic benefits that implementing Social Value can stimulate.

Example of Benefit(s)

- For every volunteering hour delivered, there is a £16.07 per hour in value delivered.
- For every 16-25yr old care leavers (FTE) hired on the contract as a result of a recruitment programme, generates £13,636 of value.
- For the weekly engagement of an apprenticeship, 16-25yr old generates £207.40 of value.
- For every £1 spent on Local Businesses (SME), there is an additional 0.09p economic benefit delivered¹.
- For every £1 spent on VCSE sector (there is an additional 0.12p economic benefit delivered)².
- The voluntary sector contributed £18.2bn to the Economy (UK) in 2017/18, representing 0.9% of GDP.
- Salford Council targets increase GVA by £2,353 through the implementation of a Social Value focus³.
- Liverpool City Region forecasted the VCSE sector contributes £917.9m or 3.7% of the regions GVA⁵.
- Every £1 spent by Worcestershire County Council contributes a total of £2.12 to the county's economy⁶.

When the effects of local spend are broken down and analysed, every £1 spent by a participating local authority with local SMEs generated an additional 63p of benefit for their local economy, compared to just 40p generated by large local firms⁷.

The diagram overleaf represents a recommended approach to the council-wide Roadmap that seeks to complement the social value strategy and operational plans at an individual directorate level. These have been created through the information and data obtained via internal consultations, desktop review of current Portsmouth policies, emerging Government legislation and examples from social value development within the UK.

In Scope

There are several levers that fully maximise the creation of social value. These levers are underpinned by research and internal consultation, the experience of SVB and national LA best practice. Therefore, the following areas are considered within scope:

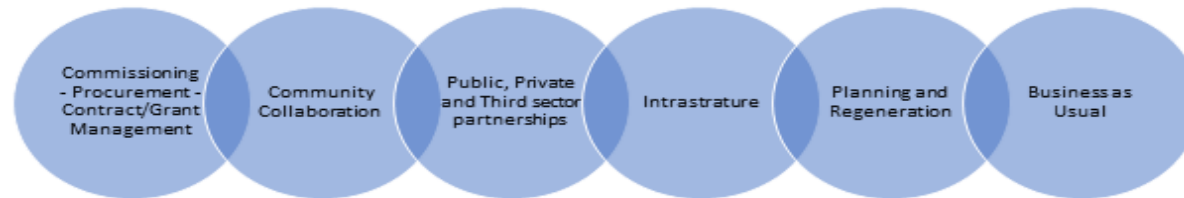


Fig 1

NB. Social Value process will support the measurement and reporting of value created through social, local, economic and environmental activities and initiatives.

Proposed Measurement Methodologies

There is a wealth of nationally recognised methodologies that can be used to measure and report social value. The final methodologies will be identified during a gap analysis. However, for the purposes of this Roadmap the Council will seek to capture baseline, outcomes and impact through 3 data points:

- Upon Engagement - Understand baseline
- Upon Completion – Understand outcomes
- Post Completion – Understand impact

This will allow 360 degree qualitative feedback to listen, learn, develop and improve social value creation within the future.

The following approaches are identified as good practice:

- Social Return on Investment (SROI) - To define for every £1 spent by the council, there is a social return of £x.

- Local Multiplier - To map and measure the retained economic benefit of social value activities.
- Gross Value Added - The Value generated by any unit engaged in the production of goods and services. Enclosed below is a breakdown of the Roadmap which is likely to take between 3 and 5 years. It provides greater specific detail of the actions required during the stages to move from policy to maturity.

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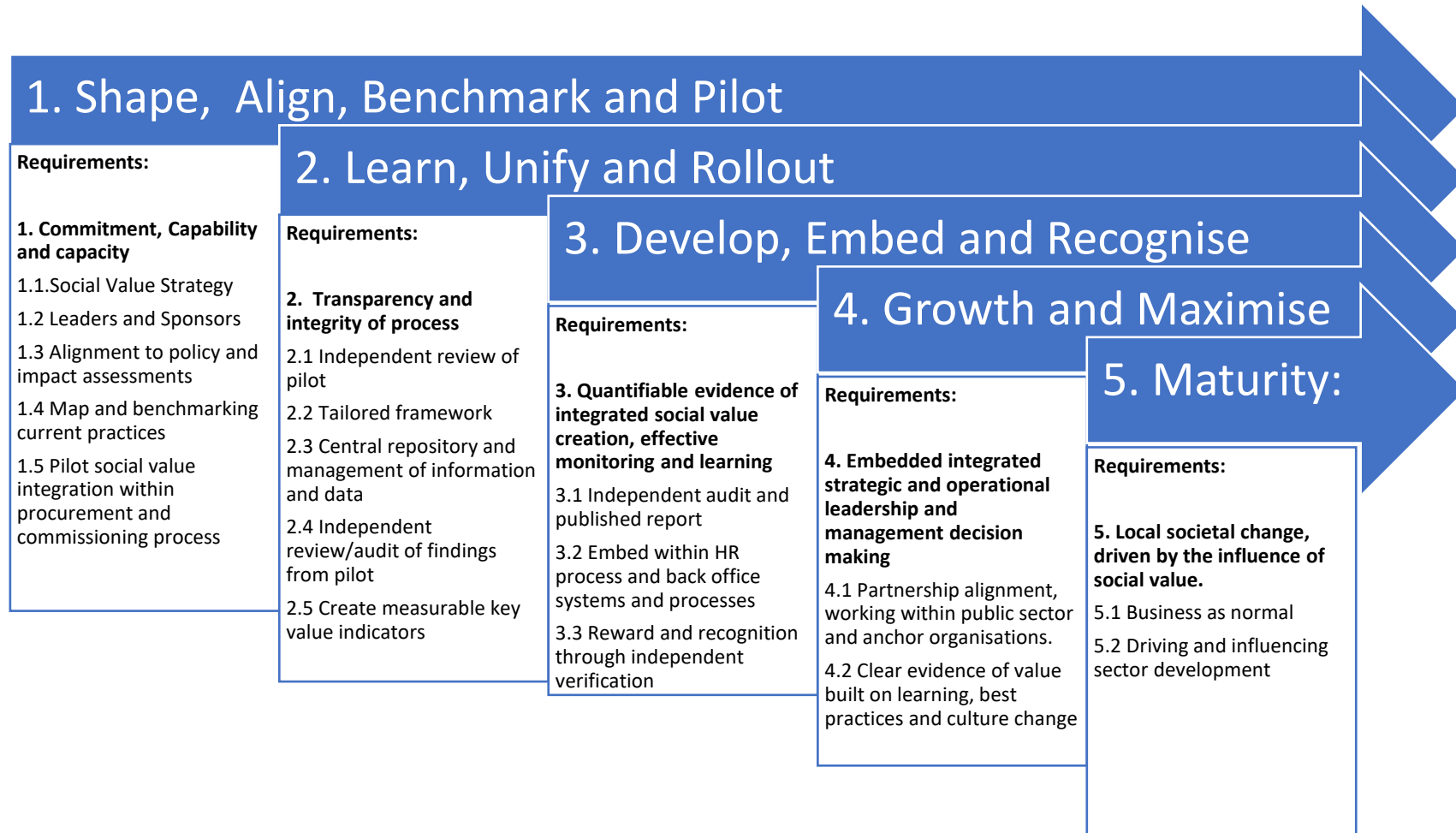


Fig 2

First Year in Focus

Priority

1. Recognise and communicate a baseline, current activities, best practice, change in procurement and future opportunities.
2. Recognise our current partnership, build new partnerships and develop process/opportunities to increase social value creation, development, delivery and recognition.
3. Encourage and facilitate internal and external social value communication, engagement and innovation to build on local best practice and remove barriers where possible.
4. Focus on building and sustaining Social, Environmental and Economic Value

Pilot the delivery of social value within procurement activities, where suitable, relevant and proportionate. Continue to build upon existing and new relationships to further identify and embed social value opportunities.

Social Value Task Force

- Create new terms of reference for the Social Value Working Group (strategic focus) and rename it the 'Social Value Task Force; update participation, identify gaps in representation and add accordingly.
- Cabinet Member for Communities & Central Services - Cllr. Atwell - to become the adopted portfolio holder for Social Value.
- Director of Corporate Services - Natasha Edmunds- to be the nominated executive sponsor.
- Create new subtask and finish groups (operational action/delivery) reporting into the Social Value Task Force.
- Invite local external partnership to participate
- The piloting of social value within future procurement expenditure, where relevant and proportionate.

Internal & External Engagement

- The Development and delivery of 2 specific workshops to build.
 - Policy alignment to facilitate dynamic and proactive engagement.
 - Needs alignment to facilitate positive engagement and integration.

Review and Establish

- Create a local expenditure baseline - Undertake an analysis of current procurement expenditure through profiling (SME/VCSE organisations) and Local as a % of tender procurement expenditure.
- Review current contracts – Analyse the social value activities/actions that are happening within the top £100m procurement expenditure (contracts); map and refocus social value activities in alignment to future priority, audit and report.

Reduce Barriers

- Develop and distribute through 'INTEND' procurement portal and through local partners 'Hive, LEP, Shaping Portsmouth' etc, an online survey to research the barriers to the delivery products and services to the Council.
- Incorporating learning from the online survey. Develop and deliver targeted external Social Value workshops, targeting current suppliers and those who would like to provide services.

Promote 'Local'

- Pilot the reserving of contracts for local suppliers where relevant, suitable, and legal in alignment to Procurement Policy Note: 11/20.

Recognition of good practice

- Develop a localised approach to the recognition of local social impact and value, i.e. award/certification.

Methodology

- Develop a Portsmouth specific Social Value Framework, that can monitor and report on new procurement activity that will have social value embedded within the contract. Promote and embed.
- Recognise Themes Outcomes and Measures (TOM's) as an approach to monetising social impact.
- Recognise Social Value Certificate (Social Value UK) and Social Value Quality Mark® as best practice for social value measurement best practice.

Accessibility

- Develop a local directory, for local organisations to showcase their goods, services and for large organisations to be able to engage within their supply chain/develop new partnerships/consortium.
- Signpost to key partners and existing support such as Shaping Portsmouth, The HIVE, UoP, etc.

Resources

- Continued draw down of existing officer time already engaged in delivery against identified social value levers.
- Subject to availability, assign Project Management Support to strategically manage pilot and rollout.
- Recruit Procurement Contract Management Business Partner, with embedded social value role within specification. (this post is already provided for within the existing Procurement budget)
- As required and subject to availability of funds, purchase specialist Social Value consultancy support to assist in the navigation of barriers and support process development, best practice and implementation.

Communication

- Develop a new internal and external communication strategy to raise the profile of Social Value local, organisations achievements.

<p>Quick Wins: (Not in order of priority)</p> <ul style="list-style-type: none"> a) Better understand need and existing policy commitments. b) Nominate and engage a Social Value representative for all Departments. c) Create a Terms of Reference and milestones for Social Value working group. d) Gap Analysis - Review current social value activities, map and celebrate. e) Consider Government Procurement Notices. (PPN11 /06) f) Establish baseline position of procurement expenditure – SME's/VSCE/Local. g) Sign up to the 'Social Enterprise Place' Initiative. h) Adopt relevant Themes and Outcomes Measures (TOM's) as a Social Value Framework. (proportionate and management 		<ul style="list-style-type: none"> i) Workshop with suppliers – Raising awareness of Social Value position, focus and meaning. j) Directory of local suppliers – Promoting local organisation for partnership and social value delivery and supply chain development. k) Partner and existing support signposting and alignment l) Formalise and pilot the inclusion of social value within procurement and commissioning activities for contracts. m) Pilot inclusion of social value with grants, Section 106, Local Enterprise Partnership activities. n) Social Value Training for key internal stakeholders. 		
Align and Pilot	Learn and Rollout	Develop and Recognise	Growth and Maximise	Maturity
<ul style="list-style-type: none"> a) Alignment with complementing policies b) Identify council-wide Social Value Champions <ul style="list-style-type: none"> – Formalise internal social value group c) Gap Analysis <ul style="list-style-type: none"> – Identification of departmental baselines and quick wins – Celebrate current good practice d) Implement consultations and e) Social Value Workshops <ul style="list-style-type: none"> – Commissioning – Procurement – Contract Management f) Establish Baseline g) Develop Strategy – 3 years h) Framework Development <ul style="list-style-type: none"> – Commissioning Process – Procurement Process – Contract/Grant Management Process – Qualitative/Quantitative – Weighting/Thresholds – Verification i) Pilot <ul style="list-style-type: none"> – Procurement Implementation – Community Initiatives – Major Works j) Review <ul style="list-style-type: none"> – Process/ Future Scope – Value to date – Key Learning – Recommendation k) Agree Rollout <ul style="list-style-type: none"> – Create measurable objectives 	<ul style="list-style-type: none"> a) Establish Key Value Indicators for social value delivery b) Social value Internal/External Communication plan c) Consider investment in SV tender/ management system d) Develop Social Value Charter e) Formalise a time banking scheme f) Create local Award and Recognition. g) Set up Community Foundation Scheme h) Commence Embedding <ul style="list-style-type: none"> – Service design. – All Departments – Planning/Regeneration – Investment – Partnership(s) i) Embed <ul style="list-style-type: none"> – Internal Impact Assessments j) Social Value Training <ul style="list-style-type: none"> – Delivery Department training – Current/future Supply Chain k) Commence Partnership and alignment <ul style="list-style-type: none"> – Anchor Organisations – Education – Health – Housing – Police – Fire – VSCE and Small Business sector – LEP 	<ul style="list-style-type: none"> a) Embed processes, practices across business support functions and services b) Back office/support department training for data collection c) Independent review and verification of social value claims d) Mid-Point review <ul style="list-style-type: none"> – Process, strategy, outputs and value and its comparable influence on city vision e) Establish Portsmouth and the Councils own unique social value proposition f) Framework development for improved monitoring and management <ul style="list-style-type: none"> – Value v cost ratio – Value v cost breakeven 	<ul style="list-style-type: none"> a) Forecast social value growth b) Engage and align with local public sector bodies and anchor organisations c) Develop external social value taskforce in Portsmouth for integrated working d) Establish a community/council legacy committee e) Establish and embed social value management and maximise principles 	<ul style="list-style-type: none"> a) Drive/Influence change locally b) Social value becomes council-wide business as usual.

Fig 3

Resource and Investment Need Analysis

To enable the council to deliver a comprehensive and integrated social value policy it is recognised that the council will be required to adequately resource this from the beginning. In particular, these areas include additional capacity, capability, assets and the development of new process.

Without adequate resources, it will prove difficult to achieve the aims and objectives set out within the social value policy. This is consistent with similar Local Authorities, attempting to establish a similar approach to and development of social value, within their areas. The diagram below sets out a summary of the main requirements.

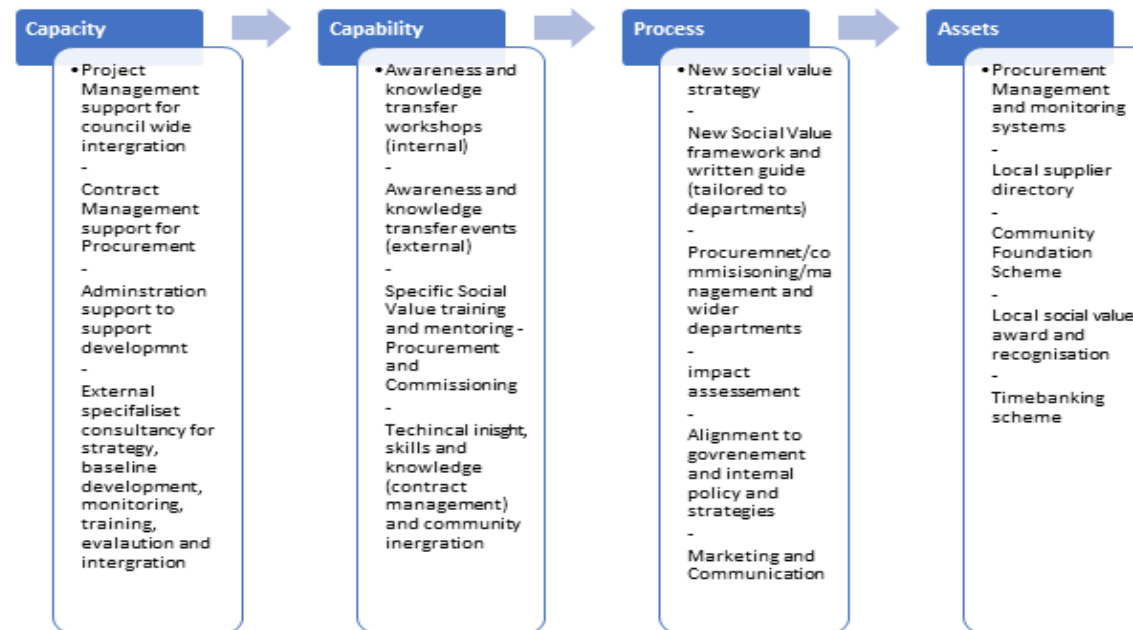


Fig 4

N.B The cost of the resources required for implementation, will cover a period of 5 years, with set up and development costs covering years 1 and 2.

Recommendations

A total of 20 social value recommendation are being made, across 4 main areas. These recommendations are high level and based upon the current data and insights gathered between December 2020 – January 2021.

Best Practice

- Agree to a set of Quick Wins and implementation with aligned resource.
- Further internal and external consultation to build clarity on the social value commitment, design, development, monitoring and measurement process and framework.
- Sign up to 'Social Enterprise Place Initiative' 'Social Enterprise UK.
- Develop 'Key Value Indicators', for measuring social value outcomes.
- Formally recognise National Theme and Outcomes Measure (TOM's), Social Value UK Certificate, Social Value Quality Mark, Social Value UK 7 Principles as best practice.
- Consider value creation across directorate/department as a whole and not individually.

Process

- Alignment with complementary policies.
- Develop a 3+ year strategy, in alignment to the Social Value Policy
- Carry out a gap analysis, develop baseline, benchmark and undercover of social value activities and value.
- Add social value element within future impact assessments.
- Management systems to support effective tender and contract management. (SV)
- Establishment of a Community Foundation and time banking scheme.

Support

- Invest in Contract Management/Project Management and Consultancy support.
- Update marketing and communication strategy to include social value.
- Celebration events and the creation of a 'local social value award'.
- Establish cross agency/public sector bodies social value taskforce.
- Increased promotion of opportunities to local organisations.
- Identification of social value department champions and executive sponsors.

Rollout

- The roll out of social value implementation and integration across the Council, commencing with Piloting social value within commissioning, procurement, and contract management process.
- Roll-out of training and support for organisations to be aware of and be able to effectively respond to tenders that incorporate social value.
- Build online directory development for local suppliers, promoting collaboration and partnership.

Milestones

- The formalisation of a Social Value Task Force and aligned workgroups.
- The clear alignment of the Social Value Policy with current policies and key strategies.
- The clear alignment of Social Value Policy to the current and future needs of the Council.
- The development of external partnership protocol and forums.
- Social Value – Key Value Indicators embedded within contracts on a proportionate and relevant basis, seek to align commitments and reporting structures within a number of existing high impact contracts
- A written framework and guide created for Portsmouth to measure and report social value through procurement and contract measurement.
- An online survey targeting current and future suppliers, to gain views, opinions and barriers to procurement and social value delivery.
- A 'local' award for the recognition of social value
- Pilot 'restricting' small tenders for local organisations.
- An independent review of the success of the 1st year pilot.

Summary Timeline (Year 1 in Focus)

Action	February	March	April	May	June	July	August	September	October	November	December	January	February	March
Social Value Task Force														
Create new terms of reference for the Social Value Working Group														
Create new subtask and finish groups														
Invite local external partnership to participant in Social Value Task Force and subgroups														
The piloting of social value inclusion within high value existing contracts and future procurement expenditure, where relevant and proportionate.														
Internal Engagement														
The Development and delivery of 2 specific workshops (Policy/Needs)														
Review and Establish														
Create a local expenditure baseline														
Review current contracts														
Reduce Barriers														
Develop and distribute Online Supplier Survey														
Develop and deliver targeted internal/external Social Value workshops,														
Promote 'Local'														
Pilot the reserving of contracts for local suppliers														
Recognition of good practice														
Develop a localised social value recognition programme														
Methodology														
Develop a Portsmouth specific Social Value Framework														
Recognise Themes Outcomes and Measures (TOM's)														
Recognise Social Value Certificate (Social Value UK) and Social Value Quality Mark®														
Accessibility														
Develop a local directory of local organisations														
Communication														
Develop a new internal and external communication strategy														

