

Title of meeting: Health and Wellbeing Board

Date of meeting: 23rd November 2022

Subject: Social Value in Portsmouth

Report by: Natasha Edmunds, Director of Corporate Services,
Portsmouth City Council

Wards affected: All

Key decision: No

Full Council decision: No

1. Purpose of report

1.1 To present to the Board with a summary of activity taking place in Portsmouth City Council and begin a discussion about how a citywide social value approach can support the Health and Wellbeing Board to deliver on the joint Health and Wellbeing Strategy.

2. Recommendations

2.1 The Health and Wellbeing Board is recommended to:

- Note the activity underway to develop a social value approach
- Consider the opportunities that exist for expanding the approach in the city
- Consider if the topic would be helpful for discussion in a future development session to explore ideas in more depth.

3. Background

3.1 In 2020, Portsmouth City Council recognised the need for a more formalised and structured approach in respect of social value delivery. In response the Social Value Policy was developed in order to bring together the good practice taking place in the city and organisation as well as ensuring that the work was co-ordinated and targeted to achieve the greatest impact.

3.2 It was also recognised that there was an opportunity to clearly describe local priorities and needs, and encourage organisations and businesses looking to work in the city to think about how they would help to address these. This work

was clearly linked to the City Vision 2040 in reflecting the themes and values that are important to the city and its residents.

- 3.3 Our work on social value has been driven by taking a critical look at the way we use the Portsmouth Pound, seeking to create lasting and positive impact through the way in which we act to shape a resilient future, for our local and regional communities, businesses and environment.
- 3.4 We committed to looking at all of our activity through this social value lens, with the local people who live and work in Portsmouth being central to the impact we were seeking to achieve.
- 3.5 To guide the work, we developed a policy that focused on three key areas of impact:
- **Social:** 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:** 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:** working towards our 2030 Carbon Net Zero goal, 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
- 3.6 In developing the city council approach, we were careful to take a strengths-based approach, working from the assets we already had. We recognised that social value was already being achieved within the city without any significant direct intervention by the council through local socially minded businesses, existing social enterprises and the work of key partners. This particularly showed itself in the immediate period of the pandemic response, where we saw incredible examples of businesses supporting the community.
- 3.7 But we also recognised that in some areas, the value of this activity was not being fully measured, therefore we had hidden value which we wanted to uncover, measure, and celebrate. We also recognised that by taking a more systematic approach, we could drive more value for our communities, so we could improve outcomes for everyone, but particularly the vulnerable or disadvantaged.

3.8 The policy was developed and approved in the shadow of the Covid-19 pandemic, which has obviously had huge impact in our community. We saw social value is as a critical and unifying enabler to the recovery and renewal of the city. The pandemic has both created need - some people have seen their work, homes, relationships, education and health fundamentally changed - but also highlighted need that already existed. At the same time, it highlighted the desire and capacity of organisations and individuals to reach out to provide support wherever they could to those who needed it. We know that it will be important to continue with a supportive and co-ordinated way of working as we move into supporting residents through the cost of living crisis.

4. The policy in practice

4.1 The Cabinet approved the policy in March 2021. Much of the work so far has been focused on how we derive more social value from our procurement and contracting activity. We have developed a toolkit, balancing adoption of recognised best practice whilst focusing upon local needs & priorities, to produce an emerging unique Portsmouth model which:

- Provides helpful guidance to suppliers and seeks to demystify social value principles
- Signposts suppliers towards local policies, needs, facilitators & beneficiaries
- Incentivises social value commitments and rewards focus upon local needs
- Recognises and rewards both existing and future targeted social value commitments
- Focuses upon impact above output and emphasises partnership
- Can be applied broadly and constantly on a proportionate and relevant basis
- Provides a simple, flexible means of assessing social value commitments over the procurement life cycle
- Incentivises through ongoing reward and recognition rather than focusing upon punitive measures

4.2 The procurement and contract management social value toolkit used to incentivise, evaluate, monitor and measure the delivery of social value outcomes has been rolled out at significant pace since it was first developed and piloted in the summer of 2021.

4.3 The toolkit has been successfully applied to 18 significant contracts through re-tendering, extension negotiations and in term partnership working bringing the collective per annum value of contracts that the toolkit has been applied to over £140M.

- 4.4 In addition to application of the toolkit significant work has been undertaken to develop a central reporting tool that consolidates social value commitments across contracts and applies financial proxies taken from central government's 'National Themes Outcomes & Measures (TOMS)' model to provide a socio-economic financial value.
- 4.5 To date the social value commitments of 11 contracts with a per annum value of approx. £116M have been inputted into the reporting tool. Whilst further work is needed to fully verify figures and fill in gaps, the socio-economic financial output from these contracts currently equates to over £20M.
- 4.6 It is expected that as gaps in reporting are addressed this figure will increase significantly, particularly in relation to environmental measures where we know that suppliers are undertaking activities but may not currently be recording the outputs in a way which is compatible with the TOMs model. Suppliers may also require assistance to provide consistent information in respect of their local supply chain spend which we know is much higher than what has been reported to date.
- 4.7 A full breakdown can be provided upon request, however in summary the £20M figure has largely been generated through:

| MEASURE & UNIT | NO. | £SV |
|---|------------|------------|
| Local job creation | 195 | £5.6M |
| Jobs for long term unemployed | 6 | £22.5k |
| 'Support Into Work Assistance' hours | 91 | £9.6k |
| Site visits for residents and local school children | 56 | £3.7K |
| Weeks of training opportunities provided | 1.076 | £340k |
| Weeks of work placements that pay RLW | 60 | £20.7k |
| Local supply chain spend | £16.1M | £14.3M |
| Equipment or resources donated to VCSEs | £42k | £42k |
| Volunteering hours donated to support VCSEs | 479 | £8.1k |
| Equality, diversity & inclusion training hours | 132 | £13.3k |
| Donations or in-kind contributions provided to community projects | £23.5k | £23.5k |
| Volunteering hours provided to community projects | 994 | £16.8k |
| Savings of tonnes of CO2e emissions | 477 | £117.6k |

- 4.8 **We wanted more local people in employment**, our suppliers committed to hiring or retaining 195 local people. Of this number 6 long-term unemployed people for a year or longer were part of the employment process.
- 4.9 **We asked for improved skills**, our 11 suppliers committed providing 56 site visits for school children and or local residents, committed to supplying 1,076 weeks of training opportunities i.e. BTEC, City & Guilds, NVQ, HNC - Level 2,3, or 4+ with a view to either being completed during the year, or will be supported by the organisation until completion in the following years; and, further commitment to 56 meaningful work placements that pay Real Living wage according to eligibility in a 12 month period for 6 weeks or more. In addition, there is further commitments for 40 meaningful work placements that pay Real Living wage according to eligibility in a 12-month period for 6 weeks or more.
- 4.10 **We wanted more opportunities for local MSMEs and VCSEs** by committing to spending £16,105,000 in the Portsmouth local supply chain, this generated £14,333,450 in social value financial proxies against their categories. Additionally, we received commitments of donations i.e., £42,000 for equipment or resources donated to VCSEs and 479 voluntary hours to support VCSEs. These figures are commensurate to £14,383,559.
- 4.11 **We asked for ways of reducing inequalities** and are in the process of sign posting suppliers to begin start working with us to the reduction of the gender pay gap for employed staff employed. In the meantime, 137 hours have been committed to include training for equality, diversity and inclusion for both staff and supply chain.
- 4.12 **We wanted ways of improving staff wellbeing and mental health**, our suppliers said they would provide 192 employees with professional support for anxiety and depression i.e., at least six sessions of Cognitive Behavioural Therapy (CBT) or equivalent, following a workplace screening through a questionnaire or other diagnostic methods. Additionally, they committed to providing 36 employees in a 12-month period with workplace screening and support for anxiety and depression.
- 4.13 **We wanted more working with the community**, our suppliers have committed to either making donations or in-kind contributions to the sum of £23,500 to local community projects via the either cash donation and or materials in a 12-month period. They have also said they will provide 994 hours of volunteering time to support local community projects.
- 4.14 **We wanted safeguarding for the natural environment**, currently we have a commitment of £1000 as either donations or investments towards initiatives aimed at environmental and biodiversity conservations and sustainable management projects for both marine and terrestrial ecosystems. In addition, 24

volunteering hours for environmental conservation & sustainable ecosystem management initiatives and a 24-hour commitment for staff training have also been committed adding e.g., SDGs Academy courses, Supply Chain Sustainability School bronze or higher or equivalent.

- 4.15 The Portsmouth model for social value differs from those developed by other public sector bodies through focusing more upon understanding the positive impacts that come from social value activities rather than focusing to highly upon quantifiable outputs. Now that the deconstruction works at Horatia & Leamington Houses are nearing completion a draft case study has been produced which highlights how the contractor (Hughes & Salvidge) worked in partnership with the Council and local community to deliver meaningful lasting positive outcomes through their social value activities.
- 4.16 Key highlights can be summarised as:
- Nearly £300k of social value created
 - The contractor undertook works at Cottage Grove School which equated to 75% of the school's annual maintenance budget
 - 50% of the workforce on the contract are local to Portsmouth
 - Time and equipment donated to community events
 - Replaced the tools of a local tradesperson that had been stolen
 - Donated 11 pallets that were used for exhibiting at community events
 - Recycling / reuse of significant amounts of waste materials
- 4.17 Work to develop the Council's social value web pages is ongoing. The structure and content is currently being finalised but we can confirm that following launch, which is planned for early next year, the following information will be accessible via the pages:
- Portsmouth definition, ethos and model
 - Social value in action - outputs, impacts, case studies
 - News and events
 - Policy, strategy and legislative context
 - Signposting, co-ordination and brokerage
 - Support, training, toolkits and best practice



Care is being taken to ensure that the content and overall tone of the pages is inclusive, welcoming and easy to understand rather than overly technical or academic. The wording, content and structure of the pages will also focus upon social value activities undertaken in the city by all suppliers and partners, irrespective of any direct involvement of the Council. This will help facilitate increased partnership working and the development of the Portsmouth Model, rather than a Portsmouth City Council model only.

5. Broadening the social value approach

- 5.1 We have considered how social value impacts every element of our activity, including how we use our property portfolio as well, and how we approach work with the local VCS. So, for example, our social value policy underpinned a decision to let a unit in a council-owned building to a local community group rather than seek a commercial rent, mindful of the wider value that could be generated for the local community.
- 5.2 We are now seeking to ensure that we are applying a social value lens to all of our activity, including our behaviour as an employer, to ensure that we are inclusive and supportive so that all members of our community, including those who experience barriers to work, have opportunities. Examples of this include our commitments through the Armed Forces Covenant, and the commitments we have made as a disability confident employer.
- 5.3 This approach is in line with the objectives of the Health and Wellbeing Strategy for Portsmouth that was agreed in June 2022. The strategy explicitly acknowledges the role of social value in addressing some of the wider systemic challenges in the city that mean outcomes for some of our residents are not what we would all want them to be. In developing actions and responses to the identified challenges, the strategy recognises that social value provides additional benefits which can aid the recovery of local communities through employment, re-training and community support.
- 5.4 We recognise that our work on social value in the city can be even more effective, and have even more impact, if it represents a way of working that all city partners are able to sign up to, and embrace as far as their own organisational policies and procedures allow.
- 5.5 We would therefore welcome a discussion on the opportunities that a wider social value approach in the city can offer, and how we can embed an approach for the whole city, building on the wealth of experience and good practice that the Health and Wellbeing Board partners are able to bring.



6. Social Value Conference 2023

- 6.1 Following the success of a launch event earlier in 2022, it is planned to hold an annual conference going forward. This will help to maintain the profile of this important initiative, increase momentum and drive inclusion of social value into a growing range of activities city-wide.
- 6.2 The next event will be held during early / mid-February 2023 and again will showcase work undertaken by the Council and our partners as well as providing an update on planned local and national social value developments.
- 6.3 Whilst the agenda is still being finalised the following items are likely to feature:
- *Apprenticeships* - Highlighting the work of the Council, partner organisations and suppliers
 - *Modern Slavery* - Raising awareness and providing an update on the work the being undertaken by the Council to meet its Modern Slavery Statement
 - *Cost of Living Crisis* - Highlighting issues, providing information on support that is available, creating new ideas for support through workshopping
 - *Commissioning* - Showing how social value can be considered within the overall commissioning strategy, showcasing effective partnerships between the Council and its suppliers (Society of St James, Minstead Trust)
 - *Health & Wellbeing* - Update on strategy development, showcasing work undertaken by partners including for the work with BH Live and the initiatives they are driving in the city as the Council's core partner operator
 - *Energy Crisis* - Highlighting how energy consumption can be addressed through sustainability measures, sharing best practice, signposting to support
 - *Website Launch* - Overview of content and structure, gaining of feedback and ideas from partners, creating shared ownership
 - *Toolkit & Reporting Tool* - Overview and training, gaining feedback, workshopping development ideas
- 6.4 Ideas for inclusion in the conference from Health and Wellbeing partners would be welcomed.

7. Reasons for recommendations

- 7.1 The Health and Wellbeing Strategy highlights social value as a driver of improved outcomes for residents in the city, so there is a clear reason for a consideration of a shared approach to social value across HWB partners.

8. Integrated impact assessment

8.1 There is no change to policy or delivery recommended in the report. Detailed impact assessments will be undertaken on particular policies and initiatives as they emerge from the work of the Health and Wellbeing Board.

9. Legal implications

9.1 There are no direct legal implications arising from the recommendations contained within this report. Future schemes and initiatives will require advice during development in order to support decision making.

10. Director of Finance's comments

10.1 There are no direct financial implications arising from the recommendations contained within this report.

10.2 Future schemes and initiatives will require financial appraisal on case by case basis in order to support decision making. Before any schemes or initiatives will be able to proceed, specific funding sources would need to be identified and in place.

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Signed by: Natasha Edmunds, Director of Corporate Services, Portsmouth City Council

Appendices: No appendices

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

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Signed by: