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Title of meeting:	Cabinet
Subject:	Social Value Implementation
Date of meeting:	22 November 2022
Report by:	Natasha Edmunds Director of Corporate Services Richard Lock Assistant Director, Procurement
Wards affected:	All

1. Requested by

Cabinet Member for Communities and Central Services, and Social Value lead.

2. Purpose

- 2.1 To provide a mid-year summary update on the progress made since the detailed progress report provided to cabinet on 11th January 2022.

3. Information Requested

- 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.

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.

- 3.2 This report summarises actions undertaken since the last update report was taken to Cabinet in January 2022 and planned next steps for the remainder of the financial year.

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4. Achievements since January 2022

4.1 Social Value Event - 'Shining a Light on Social Value';

A social value event - 'Shining a Light on Social Value' was hosted by the council at Portsmouth Guildhall on 17th February 2022. The objectives for holding the event were to:

- Provide an update on the evolution of the Portsmouth Model for delivering Social Value
- Shine a light on current social value delivery through partnerships between suppliers, co-ordinators and beneficiaries
- Give a platform for a wide range beneficiary representatives covering all 3 key strands - social, economic and environmental
- Facilitate the further development of relationships between partners, suppliers, co-ordinators and beneficiary representatives
- Direct activities to better address Portsmouth need
- Co-ordinate and combine resources to increase positive impacts and create legacy
- Develop new ideas, innovation and momentum

Over 100 people from a range of backgrounds, organisations and professions attended the event, the attendees included:

- The Leader, Deputy Leader and Cabinet Member for Communities and Central Services
- Senior council officers
- Partner suppliers to the council
- Local SMEs
- National & Multi-National contractors
- Representatives from VCS sector and beneficiary groups
- Representatives from local partner organisations

The event was highly successful in providing a showcase for the inspiring work that is already being undertaken in the city and sharing practice, advice and ideas. More importantly, the event brought together suppliers of all sizes who wish to make a lasting positive impact through their activities with local community interest

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organisations who, along with the Council, will be able to help to shape and direct supplier activities towards local priorities and needs.

A copy of the agenda from the day is included as Appendix 1, presentations from the day can be made available upon request.

4.2 Procurement & Contract Management Toolkit Implementation

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.

When the last report was taken to cabinet in January the toolkit had only recently been developed and had been piloted successfully on the recently tendered 'Primary Contractor Framework' which is used to procure, primarily, planned maintenance, refurbishment, lower value new build works, etc. to the value of approx. £20M per annum.

Since January the toolkit has been successfully applied to a further 17 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. A list of the contracts that the toolkit has been applied to is included as Appendix 2.

4.3 Central Reporting Tool Development

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.

To date the social value commitments of 11 contracts (see Appendix 2) with a per annum value of approx. £116M have been inputted into the reporting tool. Whilst further work is needed to fully verify figures, the socio-economic financial output from these contracts currently equates to over £20M.

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.

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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

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.

We asked for improved skills, our 11 suppliers committed providing 56 site visits for school children and 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.

We wanted more opportunities for local SMEs 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.

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We asked for ways of reducing inequalities and are in the process of sign posting suppliers to begin working with us on the reduction of gender pay gaps for employed staff. In the meantime, 137 hours have been committed to include training for equality, diversity and inclusion for both staff and supply chain.

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.

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 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.

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.

4.4 Case Studies

The Portsmouth model for social value differs from those developed by other public sector bodies through placing a greater focus on demonstrating the positive impacts that come from social value activities rather than focusing too highly on 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.

A copy of the draft case study which is being finalised is included as Appendix 3. Key highlights of this case study 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

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- 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

4.5 Social Value Web Pages

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.

4.6 Working with Partners

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.

The new Health and Wellbeing Strategy for Portsmouth was agreed in June 2022, in the context of the pandemic recovery. It 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

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recognises that social value provides additional benefits which can aid the recovery of local communities through employment, re-training and community support.

In November 2022, it is planned that the issues of social value is considered at a formal meeting of the Board, with partners asked to consider the implications for their organisation, and how we can further embed an approach for the whole city.

5. Next step priorities

5.1 Social Value Conference 2023

Following the success of the event earlier in the year 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.

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.

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

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5.2 Procurement / Contract Management Toolkit Implementation & Development

Now that the toolkit has been in place for over a year and implemented across a range of contracts the time is right to review which elements have worked well and which will require some development without incurring wholesale redesign which would impact upon momentum and dilute the Portsmouth model.

Following review, which will include for feedback from a range of sources, the toolkit will be formally launched through the provision of on-line training & support as well as joint workshops with contract managers and suppliers.

Whilst the review is being undertaken, further implementation of the toolkit will continue with a further 18 contracts identified which have significant potential for driving meaningful social value outcomes, some of which will already include for some social value elements which are not currently being reported upon and may not be strategically aligned at present.

As implementation, support and monitoring increases the volume and quality of the information that can be fed into the reporting tool will also increase significantly. This will help to identify overall where there may be collective strengths and weaknesses in respect of particular social value activities. This analysis will then be used to inform development initiatives which can be focused upon emerging priorities and needs such as, for example, activities which best address the impacts of the cost of living crisis.

5.3 Website, Communications & Networks

We are planning to develop and launch the website in time for the February conference - resources and potential conflicting priorities permitting. It is likely that this will be undertaken in phases as it will take time for the full content to be developed.

The website will be developed as part of an overall emerging communications strategy that will also include for newsletters, social media presence, pitching at related events, news articles, etc. This strategy will be developed with the support of Council communications officers over the coming year.

A key aspect of the Portsmouth model is that it takes a facilitative rather than directive approach in effectively bringing together deliverers and recipients of social value activities to maximise lasting outcomes. A number of informal networks are already developing with some excellent examples of collaborative partnership working already happening.

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However, we plan to take this to the next level through improved signposting, brokerage and creating an open collaborative environment where activity focused groups can organically form in response to emerging needs and opportunities.

5.4 Co-ordination with Partners

We are anticipating that the inclusion of social value in the Health & Wellbeing Strategy, and a discussion at the Health and Wellbeing Board, will provide a catalyst for further engagement and co-ordination with our city partners. An engagement strategy will be developed focusing upon the use of existing strategic relationships and shared objectives / synergies.

5.5 Commissioning & Grants

There are many good examples already of where social value has been considered within the heart of commissioning strategies - the Council's work with Society of St James and Minstead Trust are just two of the better known cases. Work will be undertaken with a core group of commissioners to review the commissioning cycle and look for opportunities where social value can be considered on a consistent, comparable basis. This work will encompass inclusion of social value through commissioning delivered via both partner contracting and grant awards.

5.6 Modern Slavery

In accordance with the Council's Modern Slavery Statement, a toolkit for identifying contracting activities which are at higher risks of exploitation through modern slavery will be developed over the remainder of the calendar year.

A flexible, proportionate model for addressing risk at each stage of the procurement cycle - *commissioning, selection, award, delivery* - will then be developed and piloted on some higher risk contracts from early next year. Following the pilot we aim to then develop and roll out the model across the Council over a 12-18 month implementation period.

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Signed by (Director)

Appendices:

- Appendix 1 - Shining a Light on Social Value - Agenda 17.02.22
- Appendix 2 - Council contracts subject to SV implementation
- Appendix 3 - Hughes & Salvidge - H&L SV Case Study

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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
	https://www.portsmouth.gov.uk/wp-content/uploads/2021/06/173.183-Social-Value-Policy_Accessible-1.pdf
Portsmouth's City Vision 2040	https://www.portsmouth.gov.uk/2021/01/29/a-new-vision-for-portsmouths-future/ www.imagineportsmouth.co.uk
Portsmouth City Council Priorities	https://www.portsmouth.gov.uk/services/council-and-democracy/policies-and-strategies/our-council-priorities/
Portsmouth's Strategic approach	Our council aims and priorities - Portsmouth City Council
Social Value Policy	Social Value Policy March 2021 (portsmouth.gov.uk)
Public Procurement Policy	https://www.gov.uk/guidance/public-sector-procurement-policy
Social Value Act	https://www.gov.uk/government/publications/social-value-act-information-and-resources/social-value-act-information-and-resources
Portsmouth City Council's Climate Emergency Statement	https://democracy.portsmouth.gov.uk/documents/s25687/Response%20to%20Climate%20Emergency%20Strategy%20appendix%20A.pdf
VCSEs: A guide to working with government	https://www.gov.uk/guidance/vcses-a-guide-to-working-with-government
Green Paper: Transforming public procurement	https://www.gov.uk/government/consultations/green-paper-transforming-public-procurement
BS 8950	https://www.bsigroup.com/en-GB/blog/Environmental-Blog/introducing-the-new-british-standard-on-social-value/bs-8950---guide/