

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	27 November 2018
REPORT TITLE	Fairtrade Update and Resolution
REPORT NUMBER	PLA/18/241
DIRECTOR	N/A
CHIEF OFFICER	Gale Beattie
REPORT AUTHOR	Oluwatoyin Fatokun
TERMS OF REFERENCE	5. To oversee and monitor the development, approval and delivery of Council place based strategies to support the City's plans for future economic growth.

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to review Aberdeen City Council's (ACC) progress against the Fairtrade Resolution 2017, present an updated Fairtrade Resolution (2018) and seek approval to support renewal of Aberdeen's Fairtrade City Status in collaboration with the Aberdeen Fairtrade Steering Group (AFGS).

2. RECOMMENDATION(S)

That the Committee:

- 2.1 Notes ACC's on –contract spend on fair trade produce;
- 2.2 Notes the actions completed by ACC to support the Fairtrade Resolution;
- 2.3 Approves the updated Fairtrade Resolution 2018 (Appendix 1); and
- 2.4 Approves ACC's support for and input to the renewal application for Fairtrade City Status.

3. BACKGROUND

3.1 The Fairtrade City Status and Resolution

- 3.1.1 Fair trade ensures that farmers and producers mostly located in developing countries get a fair price for their produce to help them support their families and invest in business, social and environmental improvements in their communities. The FAIRTRADE Mark is given to products which meet certain internationally recognised standards. It should be noted that the ACC Fairtrade Resolution and procurement activities includes products which are fairly-traded and ethically sourced, with the Fairtrade Mark or equivalent ("fair trade").
- 3.1.2 Aberdeen was first awarded the Fairtrade City Status in 2004 in recognition of the strong support for fair trade. The Fairtrade City Status is approved for two years and it was successfully renewed on the 18th of December 2016. The next renewal is due

by December 2018. The application process for this is currently being undertaken by the Aberdeen Fairtrade Steering Group (AFSG).

- 3.1.3 The Fairtrade City Status includes a requirement for the local council to be part of the local fair trade campaign, presently led by AFSG and to pass a resolution supporting fair trade. This includes an agreement to serve fair trade products (for example in meetings, offices and canteens). The updated Fairtrade Resolution 2018 sets out how ACC would continue to support and raise awareness of its fair trade commitment.

3.2 Fairtrade on-contract spend 2017 – 2018

- 3.2.1 Table 1 illustrates fair trade produce purchased by ACC over the last four years. ACC established a base year in 2014-2015 and the baseline data is compared with subsequent years. Figures show produce procured in business units over which ACC has direct control. It does not extend to its arms-length external organisations (ALEOs) such as Bon Accord Care and Sport Aberdeen. Only on-contract spend data was collected. It should be noted that from 2015-2016 to 2017–2018 figures exclude those from the Art Gallery because it is closed for refurbishment. The Art Gallery’s fair trade spend was a significant part of the 2014-2015 baseline figures.

Table 1: On-Contract fair trade spend 2014/15 – 2017/18

Fair trade Products	Data Source	2014 – 15	2015 – 16	2016 – 17	2017 – 18
Bananas, coffee, tea, sugar and cocoa	Assets managed by ACC and the Beach Ballroom	£2,344.05	£3,792.10	£3,531.65	£7,238.40
Other products (fruit juice, chocolate and wine)	Assets managed by ACC and Beach Ballroom	£3,839.02	£874.13	£3,458.03	£1,860.72
Total Spend		£6,183.27	£4,666.23	£6,989.68	£9,099.12

- 3.2.2 The above shows an increase in the total expenditure on fair trade produce. However, due to lack of available data, it has not been possible to estimate what percentage of total spend on ACC’s contracts is fair trade produce.

3.3 Notable Actions in support of Fairtrade 2017- 2018

- 3.3.1 This report also lists actions undertaken in support of Fairtrade during the reporting period.
- The Aberdeen Fairtrade Pledge Scheme, hosted by the Council, currently has 21 pledges from local organisations, 8 from schools and 267 from individuals. There were 4 new organisational pledges including Bon Accord Care Ltd, one of ACC’s arms-length external organisations.

- Fairtrade Fortnights 2017 and 2018 were celebrated with displays of fair trade products in both the Town House restaurant and Marischal College canteen.
- A networking and awareness raising event took place on the 5th of October 2017 involving 10 schools from Aberdeen City and Shire on-board a Northlink Ferry, our Fairtrade employer.
- Secretariat support was provided by ACC for some meetings of the Aberdeen Fairtrade Steering Group.
- ACC's Environmental Policy Team formed an Internal Fairtrade Steering Group, made up of representatives from various services within the council including procurement, catering, education and customer services was formed to explore opportunities to increase ACC's spend on fair traded products and share best practice.
- Fair trade stands were present at the Catering Services Open Day event and the Sustainable Food City Partnership Aberdeen (SFCPA) launch.
- Fairtrade Mark tea bags and sugar started being served in the Member's lounge.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications arising directly from the recommendations of this report. However, there may be potential financial implications arising from future developments of the fair trade policy of this report such as the cost of time for council officers to support fair trade activities within the council and the AFSG as well as the financial implications of specifying fair trade products.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications has a result of this report.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	The increased costs if budget holders and requisitioners choose fair trade products.	L	ACC should continue to ensure that budget is allocated to fair-trade products wherever practicable.
Legal	Fair trade products should not be required without alternative when it may lead to breaches of other legislation.	L	Each party responsible for procuring goods should assess the legal risks in their sourcing decision based on the individual circumstances.
Employee	The risk associated with staff not engaging with ACC's commitment as detailed in the Fairtrade	M	Fairtrade Resolution should be promoted across the council and especially to those who are budget holders and

	Resolution.		requisitioners.
Customer	The Fairtrade City Status is awarded to the city of Aberdeen so there is a potential risk to Aberdeen if it fails to secure the renewal of the Fairtrade City Status.	M	ACC should collaborate with AFSG to renew the city status.
Environment	Fair trade standards seek to ensure that in achieving best value for public money we consider the impact of what we are buying over its lifetime. There could be a potential risk of not verifying the environmental impact of the lifecycle of the products purchased.	L	ACC should put measures in place to consider the impact of what we are buying over its lifetime.
Technology	The risk of not utilising technology to promote our Fairtrade Resolution as well as fair trade products available through our contracts.	None	
Reputational	There is the potential for negative reputational impact if ACC's performance is poor when compared against previous reporting years and if city fails to renew Fairtrade City Status.	M	Collaborative working with AFSG to further promote Aberdeen as a Fairtrade City.

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Fair trade provides a more diverse range of products to the people of Aberdeen while helping to support farmers and producers become more income –secure and less vulnerable to poverty. Continued support of fair trade strengthens ACCs' commitment to fight poverty.
Prosperous People	Fair trade helps to reduce gender inequality which aligns with ACC's commitment to tackling inequality.

Prosperous Place	Supporting fair trade reinforces the Councils' commitment to sustainable procurement and enhances the reputation of the city.
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Design Principles of Target Operating Model	
	Impact of Report
Customer Service Design	Fairtrade supports collaborative working with internal teams and external organisations to raise awareness and create opportunities for fair trade in Aberdeen.
Governance	The ACC Fairtrade Resolution demonstrates commitment to fair trade and responsibility and accountability in fair trade performance.
Partnerships and Alliances	Collaborating with the AFSG is essential to the retention and renewal of the Fairtrade City Status.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Completed and confirmed a full EHRIA is not required
Data Protection Impact Assessment	Completed and confirmed a full DPIA is not required
Duty of Due Regard / Fairer Scotland Duty	N/A

9. BACKGROUND PAPERS

- Fairtrade Update and Resolution 2017 - CHI/17/003¹

10. APPENDICES (if applicable)

10.1 The appendices are as follows:

- Appendix 1– Fairtrade Resolution 2018

11. REPORT AUTHOR CONTACT DETAILS

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¹ <http://councilcommittees.acc.gov.uk/documents/s67093/CHI.17.003%20-%20Fair%20Trade%20Report.pdf>