

## ABERDEEN CITY COUNCIL

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|---------------------------|------------------------------|
| <b>COMMITTEE</b>          | Council                      |
| <b>DATE</b>               | 29 June 2022                 |
| <b>EXEMPT</b>             | No                           |
| <b>CONFIDENTIAL</b>       | No                           |
| <b>REPORT TITLE</b>       | International Travel 2022/23 |
| <b>REPORT NUMBER</b>      | COM/22/123                   |
| <b>DIRECTOR</b>           | Gale Beattie                 |
| <b>CHIEF OFFICER</b>      | Richard Sweetnam             |
| <b>REPORT AUTHOR</b>      | Jim Johnstone                |
| <b>TERMS OF REFERENCE</b> | Introduction 6               |

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### 1. PURPOSE OF REPORT

- 1.1 To seek approval for immediate overseas travel that is required to support relevant City Growth activities in 2022/23.

### 2. RECOMMENDATIONS

That Council:

- 2.1 Notes the current Memoranda of Understanding (MoU) with international partner cities that are supported by the Council;
- 2.2 Notes the support provided to international trade activity led by Scottish Development International (SDI) and the Department for International Trade (DIT);
- 2.3 Notes the submission of the H2 Twin Cities application under the US Government Clean Energy Ministerial with the city of Kobe in May 2022;
- 2.4 Approves international travel as detailed below and subject to the maximum expenditure as detailed in paragraph 4.2:
- (a) Two officers to attend ONS event in Stavanger, Norway between 29 August – 1 September 2022;
  - (b) The Lord Provost and one officer to attend WECP Annual General Meeting in Esbjerg, Denmark between 5 – 8 October 2022; and
  - (c) Up to two officers to attend CERA Week Conference in Houston, USA between 6-10 March 2023.
- 2.5 Delegates authority to the Chief Officer - City Growth to authorise necessary and appropriate travel documentation and associated expenditure for the travel noted in para 2.4 above, provided the cost thereof does not exceed the budget referred to in section 4 of this report, and notes that all international travel is in line with current Council travel policies and international travel and Covid-19 guidance;

- 2.6 Agrees that additional international travel will be discussed with the Council Co-Leaders and a report brought to the appropriate committee if a decision to travel is required; and
- 2.7 Agrees that an annual service update will be circulated to members reporting on the outcomes of all the overseas activity proposed in this report.

### **3. CURRENT SITUATION**

- 3.1 The Council supports international trade activity through a series of Memoranda of Understanding (MoU) and further details are provided in Appendix One.
- 3.2 The Council is a founding member of the World Energy Cities Partnership (WECP), which connects 19 global energy capitals. This network enables the Council and regional partners to work with member cities as they deliver energy transition. The WECP bylaws state that “those persons serving as the head of the municipal or provincial government of each Member City participate in the Board of Directors”.
- 3.3 There are opportunities for business to business links to be established as a result of the MoUs/ WECP, and as activity is planned, officers liaise with Scottish Development International (SDI) and Department for International Trade (DIT), the trade and investment agencies of the Scottish Government and UK Government respectively. This ensures that there is wider awareness of activity and alignment to wider trade and investment priorities.
- 3.4 In May 2022, a submission to the US Government Clean Energy Ministerial initiative, H2 Twin Cities, was made with MoU partner city Kobe. This submission is a positive example of our existing MoU serving as a springboard for additional activity in support of the Regional Economic Strategy (RES) priorities. The outcome of the bid is expected to be announced in July 2022. If successful both cities will be able to work together to mentor and knowledge share resulting in an accelerated transition into hydrogen power. The bid narrative is provided in Appendix Two.
- 3.5 The Council is a full member of the Conference of Peripheral Maritime Regions (CPMR) and the North Sea Commission within this. CPMR represents more than 150 shoreline regions, campaigning in favour of a more balanced development of European territory. The Council is also a member of a thematic group for sustainable communities, Smart Regions.
- 3.6 Since March 2020, in response to travel restrictions as a result of Covid-19, CPMR activity has been taking place through Teams. At the time of this report it is not known whether this will continue, or, if face to face meetings are needed.
- 3.7 International travel and associated spend in relation to the Council’s current projects in hydrogen have been highlighted in the approved budgets in previous Committee reports. These also approved delegation of authority to the Chief Officer of City Growth to agree related trips specified in project contracts.

### **International Activity Plan 2022/23**

3.8 Officers have been reviewing which activities to prioritise for 2022/23, and the implications in terms of overseas travel. To appraise the benefits of each attendance, it is proposed that the following criteria are used to inform the decision to travel:

1. Meetings/review points with MoU partners should take place online where possible. In the event that attendance by an Elected Member is requested, this will be discussed with the Co-Leaders of the Council;
2. Engagement will reflect the sectoral priorities in the RES – for example, energy, food, drink, agriculture and fishing, life sciences and creative industries;
3. Engagement will reflect wider RES priorities of innovation, trade, inward investment or job creation;
4. Where appropriate, overseas travel should be supported by businesses, in consultation with SDI, DIT and/or Aberdeen & Grampian Chamber of Commerce. This will ensure activity is aligned to specific needs of business in the city;
5. WECP attendance at the AGM and Working Group meetings;
6. Where applicable, in support of project activity in support of the North Sea Commission and Smart Regions Group.

3.9 Where face-to-face visits are required outside of Aberdeen, officers will confirm the nature of request using the above criteria and whether elected member and/or officer representation is required. This will then be agreed with the Council Co-Leaders and a report brought to committee if a decision to travel is required.

3.10 The Council will support inward delegations from MoU/ WECP partners regions and ensure that Aberdeen businesses and wider stakeholders are included where appropriate.

3.11 The following trips are proposed as a priority for the Council:

- Under Criteria 2 and 3: ONS event in Stavanger, Norway between 29 August – 1 September 2022 – two officers (one from Invest Aberdeen and one from the Council);
- Under Criteria 2 and 5: WECP AGM attendance (October 2022) – the Lord Provost and one supporting officer;
- Under Criteria 3: CERA Week Conference in Houston, USA between 6-10 March 2023 – restricted to one officer if there is attendance by other Aberdeen stakeholders (for example, and funded by them, NZTC, HE sector);

3.12 An annual service update will be circulated to members reporting on the outcomes of all the overseas activity proposed in this report.

## **4. FINANCIAL IMPLICATIONS**

4.1 As a final schedule has not been agreed for the North Sea Executive Committee or Smart Regions Group meetings, no decision is required from Council at this time. Officers recommend that a report is brought to the next Committee cycle if overseas travel is required. This equates to a budgeted cost of £14,000, highlighted in the table below. Please note that this will be dependent on the

Council agreeing to an elected member being appointed as a representative to these outside bodies; as per the paper that is earlier in the agenda of this meeting.

- 4.2 Council approval is required in relation to the proposals for ONS, WECP and CERA Week, at a total cost of up to £16,000. These costs will be met via the approved City Growth budgets for 2022/ 23.

| <b>Destination</b>                          | <b>Attendance</b>  | <b>Dates</b>   | <b>Estimated costs</b> |
|---|--|--|------------------------|
| ONS Stavanger                               | 2 officers   | 29 August – 1 September 2022   | £6,000                 |
| WECP AGM, Esbjerg                           | Lord Provost + 1 officer   | October 2022 (TBC)   | £4,000                 |
| CERA Week, Houston                          | Up to 2 officers (if a partner stakeholder attends, there is only a requirement for one officer) | 6 – 10 March 2023  | £6,000                 |
| <b>Total</b>                                |  |  | <b>£16,000</b>         |
|   |  |  |                        |
| CPMR General Assembly                       | 1 elected member + 1 officer   | European location TBC (in-person attendance will be based on location) | c. £2,000              |
| North Sea Executive Committee Meetings (x3) | 1 elected member + 1 officer   | European location TBC (in-person attendance will be based on location) | c. £6,000              |
| Smart Regions Group Meetings (x3)           | 1 elected member + 1 officer   | European location TBC (in-person attendance will be based on location) | c. £6,000              |
| <b>Total</b>                                |  |  | <b>£14,000</b>         |

## 5. LEGAL IMPLICATIONS

- 5.1 The Local Government (Scotland) Act 1973 stipulates that Elected Members' travel can only be funded if it is classed as an 'approved duty'. Approved duties include *"the carrying out of any other duty approved by the local authority, or anything of a class so approved for the purposes of, or in connection with, the discharge of functions of the local authority or any of its committees or sub-committees"*.
- 5.2 Local authorities have a statutory duty to secure best value as per section 1 of the Local Government in Scotland Act 2003. The Council has Travel Policies for both members and officers. All travel should be booked in accordance with the arrangements set out in these policies to ensure the most cost-effective travel arrangements are utilised.

## 6. ENVIRONMENTAL IMPLICATIONS

- 6.1 The report recommendations will have an immediate negative environmental implication, namely an increase in carbon emissions due to air travel. To counter this, regular meetings to fulfil MoU commitments will take place virtually and where travel is necessary, efforts will be made to ensure a full and valuable itinerary. Consideration can also be given to minimising the carbon footprint when booking travel, i.e. booking a train rather than a flight when travelling domestically within a country (when the itinerary allows) or booking 'green' airfares only.
- 6.2 Taking a longer-term view, it could be said that the environmental implications of this report are positive, given the recommended alignment of international trade priorities with stakeholders and international partners who can aid us in achieving net zero goals.

## 7. RISK

- 7.1 The assessment of risk contained within the table below is considered to be consistent with the Council's Risk Appetite Statement.

| Category              | Risks  | Primary Controls/Control Actions to achieve Target Risk Level  | *Target Risk Level (L, M or H)<br><br>*taking into account controls/control actions | *Does Target Risk Level Match Appetite Set? |
|-----------------------|--|--|---|---|
| <b>Strategic Risk</b> | Failure to adapt to the changing priorities in international energy markets with a consequent negative impact on local economic activity | Alignment with Scottish and UK government priority transition markets for trade and exports internationally. Alignment with Council's objectives, ambitions and ongoing projects in energy transition. Continued monitoring of net zero projects and advancements globally to ensure we have fruitful connections. | M   | Yes   |
| <b>Compliance</b>     | Spend not in line with approved duties. Inherent risk involved in travel to certain markets e.g. security.                               | All travel will be booked and managed in accordance with Council's Travel Policies for Members and Officers. FCO travel  | L   | Yes   |

| <b>Category</b>              | <b>Risks</b>   | <b>Primary Controls/Control Actions to achieve Target Risk Level</b>  | <b>*Target Risk Level (L, M or H)</b><br><br><i>*taking into account controls/control actions</i> | <b>*Does Target Risk Level Match Appetite Set?</b> |
|------------------------------|--|---|---|--|
|                              |  | advice will be followed.  |   |  |
| <b>Operational</b>           | International travel has been deemed high risk during Covid-19, but these risks can now be managed and minimised considering destination on a case-by-case basis.  | A thorough risk assessment is undertaken prior to any travel outside of the UK. This forms part of the pre-travel briefing. The Council has sufficient travel insurance in place.   | L   | Yes  |
| <b>Financial</b>             | There is a risk that actual costs exceed those anticipated in this report.   | The approved plan and costing estimate will ensure that no travel will be booked if it exceeds the total approved budget.   | L   | Yes  |
| <b>Reputational</b>          | There are reputational risks for the city if it does not actively participate in existing international relationships and networks and in developing market relationships that will be beneficial to the city. These are vital to ensure that the city's global profile, particularly as net zero driver, is maintained. | Fulfilling the Council's obligation in terms of WECP membership will ensure continued international profile. Working with SDI and DIT will ensure that Aberdeen maximises and benefits from international trade activity. | M   | Yes  |
| <b>Environment / Climate</b> | Carbon footprint of air travel.  | Travel plan has been streamlined to only include overseas trips deemed necessary and beneficial.  | M   | Yes  |

## 8. OUTCOMES

| <b>Impact of Report</b>  |  |
|--|--|
| <b>Aberdeen City Council Policy Statement</b>                              | Recommendations in this report support the delivery of Economy Policy Statement 11 and Place Policy Statements 1 and 2, aligned to unleashing the non-oil and gas economic potential of the city.  |
| <b><u><a href="#">Aberdeen City Local Outcome Improvement Plan</a></u></b> |  |
| Prosperous Economy Stretch Outcomes  | Recommendations in this report will contribute to Economy Stretch Outcomes; international market relationships assist Aberdeen companies to increase their export turnover and grow which in turn leads to training and employment opportunities.  |
| Prosperous Place Stretch Outcomes  | The stakeholder and international relationships with like-minded global transitioning cities, and the associated best practice and knowledge sharing with these partners, will enable us to achieve Place Stretch Outcome 13 – reducing carbon emissions by 61% by 2026.   |
| <b>Regional and City Strategies</b>  | <p>The report conforms with the objectives of Council's Strategic Infrastructure Plan, the Regional Economic Strategy (RES), H2 Aberdeen Strategy, WECP Strategic Plan and the Net Zero Routemap for the city.</p> <p>The report conforms with the objectives of the Scottish Government's 'Vision for Trade' and recent policy announcements.</p> |

## 9. IMPACT ASSESSMENTS

| <b>Assessment</b>                        | <b>Outcome</b> |
|--|----------------|
| <b>Integrated Impact Assessment</b>      | Not required   |
| <b>Data Protection Impact Assessment</b> | Not required   |
| <b>Other</b>                             | Not required   |

## 10. BACKGROUND PAPERS

- 10.1 COM/21/100 – International Trade Plan 2021-2022 – 11<sup>th</sup> May 2021
- 10.2 PLA/19/178 – World Energy Cities Partnership AGM, Presidency and Travel – 7<sup>th</sup> February 2019

## 11. APPENDICES

- 11.1 Appendix One – International Memoranda of Understanding
- 11.2 Appendix Two – H2 Twin Cities Project Narrative

## 12. REPORT AUTHOR CONTACT DETAILS

|                      |  |
|----------------------|--|
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