

**Scottish Government**

**SFTF 2018-2019**

**End of Year Report**

This narrative report should be submitted together with your updated logframe and completed budget spreadsheet.

**PLEASE READ ATTACHED GUIDELINES BEFORE COMPLETING THE FORM**

<b>1. Basic Information</b>			
Complete the information below for management purposes. Please indicate in the relevant section whether any changes to your basic information (e.g. budget) have occurred during this reporting year. Explanations should be provided in section 3.			
1.1	<b>Reporting Year</b>	<b>From:</b> April 2018 <b>To:</b> March 2019	
1.2	<b>Grant Year</b> (e.g. Year 1)	<b>Year 1</b>	
1.3	<b>Total Budget</b>	<b>£179,654</b>	
1.4	<b>Total Funding from ID</b>	<b>£160,327</b>	
1.5	<b>Supporting Documentation</b> Check box to confirm key documents have been submitted with this report	<b>Proposed Revised Logical Framework/business plan, if applicable</b> <input checked="" type="checkbox"/>	
	Please list any further supporting documentation that has been submitted	Other, please detail	
		<b>Budget Document</b>	
1.6	<b>Response to Previous Progress Reviews</b>	<b>Scottish Government's comments on previous reports (state which report):</b>	<b>Action taken since the last report:</b>
1.7	<b>Date report produced</b>	<b>3 April 2019</b>	
1.8	<b>Name and position of person(s) who compiled this report</b>	[REDACTED], Chief Executive [REDACTED], Development Manager [REDACTED], Engagement and Communications Officer	
1.9	<b>Main contact details, if changed</b>		

**Signed by** [REDACTED]

**Date** 3 April 2019

**Designation** Chief Executive

<b>2. Progress and Results</b>		
This narrative report on performance and results will be reviewed together with your revised and updated Logical Framework. See Guidelines (Annex 1) for details.		
2.1	<b>Changes to Planned Activities</b>	
	Has the focus or delivery of your planned activities changed significantly over the last financial year? If so, please explain how and why, and attach copies of all relevant correspondence with the Scottish Government.	
	No	
2.2	<b>Changes to the Logical Framework/Business Plan</b>	
	If changes have been made to the logframe/business plan since the beginning of the financial year please describe these below. Please also provide evidence (e.g. copies of correspondence) that these changes have been agreed with the Scottish Government. If you would like to make changes to your logframe/business plan, but these have not yet been approved by the Scottish Government, please describe and justify in detail the requested changes below – and highlight the proposed changes in the revised logframe/business plan.	
	<b>Result Area/ Indicator</b>	<b>Proposed/ Approved Change</b> (please clarify and evidence below)
	<b>None</b>	
2.3	<b>Project Progress and Results</b>	
	In the table below, please provide a summary of the key areas of progress and results achieved over the last 6 months, <u>for each project output and outcome</u> . Describe in brief any delays or other challenges that you have experienced and how these have been addressed, and provide information about any unexpected results.	
	<b>Output/Outcome</b>	<b>Summary of Progress and Results</b>
	Outcome Indicator 1 Milestone 2	The work undertaken by the Forum to be in a position to create more diverse income streams has progressed significantly during the year but it has been more extensive and time-consuming than originally planned. The Board took the view that such a significant change in approach needed to be fully researched and planned. For this purpose, it established a Development Group of Board and staff members which held a number of sessions facilitated by a social enterprise consultant. The Development Group explored context; the business cases; potential product and services; strategic drivers; business strategy; strategic objectives; market analysis; customers and beneficiaries; competitors; risks and success factors; leadership, management and stakeholders; and finance. This work has resulted in a 10 year Development Plan with financial projections for the 10 year period. The thoroughness of this work has meant that the work has taken longer than we had originally planned. However, it has also meant that the Board and staff team are more confident in taking this work forward to make significant advances in income diversification. Following some product testing with pilot schools during Fairtrade Fortnight, the educational product is being further developed alongside work on

	costing and pricing with a CEIS advisor. This advisor is supported by the Forum's application for business development support through Just Enterprise. We are now looking at our first sales being in the financial year 2019/20.
Outcome Indicator 2 Milestone 2	The actions identified in our Fair Trade Market in Scotland Report have been carried out.
Output Indicator 1.1 Milestone 2	Supplier work undertaken and reviewed. Work is progressing to timescale.
Output indicator 1.2 Milestone 2	Consumer work undertaken and reviewed.
Output indicator 1.3 Milestone 2	Report compiled and actions to be undertaken identified.
Output indicator 1.4 Milestone 2	Some product development and market testing has started. We are not yet at the stage of making our first sales. These are now expected in financial year 2019/20. See Outcome Indicator 1 Milestone 2 above for explanation.
Output indicator 2.1 Milestone 2	We jointly hosted with Fair Trade Wales a two day seminar in Cardiff on developing the Fair Trade Nations and Regions network and concept. The event was attended by delegates from the UK, Netherlands, Belgium, Sweden, Lebanon and the Fair Trade Advocacy Office and the International Fair Trade Towns Steering Group. Five workstreams and working groups have been established. These will report back in autumn 2019.  We remain an active partner in the World Fair Trade Organisation and with partners in the Fair Trade Advocacy Office.
Output indicator 3.1 Milestone 2	Regional events have been held in 5 regions: Grampian; West Coast; Edinburgh and Lothians, Glasgow and the West; and Central and East. The session for the Highlands is planned for May. After feedback from local campaigners, the South of Scotland Region has been disbanded and Dumfries and Galloway has been amalgamated with the West Coast Region and the Borders with the Edinburgh and Lothian Region. Feedback from attendees at all the events has been positive and the sessions will be held annually.
Output indicator 3.2 Milestone 2	We have issued more than our target number of newsletters (20) and have been active on social media and our website has been regularly updated.
Output indicator 3.3 Milestone 2	Target exceeded as we held an extra event from originally planned for the launch of the International Fair Trade Charter. We held the annual Fair Trade Nation Lecture at Dundee University on the subject of Fair Trade and Sustainability in the Coffee Market given by <b>[REDACTED]</b> of Matthew Algie. Holding the event outwith the Central Belt did not adversely impact on attendance. For World Fair Trade Day, we launched a new Fair Trade photo exhibition at the City of Glasgow College with the Lord Provost of Glasgow and visiting Fair Trade producer, <b>[REDACTED]</b> . (The exhibition is a resource for local groups, schools, etc and so far has been exhibited in Glasgow, East Ayrshire, Edinburgh, Dumfries and Aberdeen). We held our annual conference and AGM in Dumfries in partnership with the Dumfries and Galloway Fair Trade Regional Steering

	Group. Again, holding the event outwith the Central Belt did not adversely impact on attendance. In September we held an event in Parliament to mark the launch of the International Fair Trade Charter with the Cabinet Secretary, Chief Executive of the WFTO and the Chief Executive of the Fairtrade Foundation. The event in a large committee room was fully subscribed. We held our well attended Scottish Fair Trade Awards ceremony at Gavin's Mill in Milngavie. The awards again attracted some sponsorship and we have had interest already in increased sponsorship for the 2019 awards. During Fairtrade Fortnight, we hosted <b>[REDACTED]</b> of the Sholi Coffee Co-operative in Rwanda as part of the Rwandan Coffee Project. We co-hosted events with Challenges Worldwide, Twin Trading and Matthew Algie in Edinburgh and Glasgow as well as attending a number of events around Scotland in Angus, Fife, Edinburgh, Renfrewshire, Glasgow and East Lothian.
Output indicator 4.1 Milestone 2	Target exceeded (8). We have continued our engagement with DECs/IDEAS and also with College Development Network, Young Enterprise Scotland and Scotland's Enterprising Schools and individual colleges and universities.
Output indicator 4.2 Milestone 2	Target exceeded (15 and 4 Fairtrade Fortnight events) newsletters and attending partner events
Outcome indicator 4.3 Milestone 2	A group of young people and formed the Scottish Fair Trade Young People's Network. They held an event during Fairtrade Fortnight with the visiting producer and made short film clips with him for use on social media. The Young People's Network will be co-designing resources with the Forum for use by local groups in engaging with young people. This new work has been successful in an application for a small grant from another funder to produce the resources.
Output indicator 4.4 Milestone 2	Ideas for school resources have been tested with potential customers and a product will be brought to market in financial year 2019/20.
Output indicator 5.1 Milestone 1	All of our compliance and governance responsibilities have been met.
Output indicator 5.2 Milestone 1	We continue to support staff and volunteer development. We have undergone some staff changes and new staff have been given induction. Significant work has been undertaken on income diversification resulting in a draft 10 year Development Plan.
Output indicator 5.3 Milestone 1	Feasibility and market testing of potential products and services has begun. We have had some conversations with the Scottish Government regarding the Review of Fair Trade in the Programme of Government. There was a session at our AGM and Conference that engaged members and supporters on ideas for the Forum's future development.
Please add additional outputs/outcomes as required	

2.4	<p><b>Risk Management</b> If progress towards delivering activities and outcomes is slower than planned or there have been delays in delivery, please explain: a) What the issues have been? b) What actions have been taken in response to these issues?</p>	
	<b>Issue/Risk</b>	<b>Action item</b>
	The work involved in the production of a development plan for income diversification was more than initially planned.	The Development Group (of staff team and Board Members) was tasked with leading this work. The recently appointed Development Manager has had this work prioritised in his workload.
		A draft Development Plan was presented to the Board Strategy Day in October and agreed by the Board in November. It is now planned that sales will begin at the start of financial year 2019/20.
	Please add additional issues as required	

### 3. Financial Report

The narrative report below should be provided in conjunction with the Budget Spreadsheet report (see Annex 2). Please fill in the Budget Spreadsheet to: (a) confirm actual spend for the year and justify any significant disparities between programmed expenditure and actual expenditure within the financial year.

#### 3.1 Underspend

Please note where your organisation anticipates a significant underspend, and where you intend to request that some funds are carried forward with the agreement of the Scottish Government. Please provide justification for this underspend below. Please note that any carry-over of funds to the next financial year should be agreed with the Scottish Government by January 31<sup>st</sup> of the current financial year.

There was a necessary but unbudgeted cost of a new server in the first part of the financial year. We have endeavoured to make savings to cover that cost. Part of these unbudgeted costs for hardware (a new server and hard drive) are capital costs and part of these unbudgeted costs are office costs for software and installation.

There was an unplanned saving on staff costs due to a period without a Development Manager after one staff member finished their employment before their replacement took up post. The producer airfare costs from Rwanda, although significantly more than budgeted, came in at under budget, as due to visa problems only one visitor rather than two was able to attend.

Spending of a significant amount on outcome one has been delayed until the next 6 month period. This is due for two reasons: as further research was required on the introduction of an ability for sales to be performed through our website to promote easier methods of paying membership but also for the sale of services and goods through the website. This work will be carried out in the next six months. More significantly, for the budget, the spending on polling was delayed until the next six month period in order to learn from the findings of consumer

	<p>focus groups to inform the questions to be asked in the survey. This work and polling will be completed in the next 6 months.</p> <p>There is an overall small unanticipated underspend on budget of £3,611. It is envisaged that this could be used in the next 6 months in order to cover the delayed spend on the consumer polling and payment system for the website.</p>
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## Annex 1: Guidance Notes: End of Year Report

- This report is to be completed 6 months into the reporting year.
- Please complete this form electronically.
- Once complete please send this reporting form, by email to your Scottish Government project manager.
- The report should be submitted by the end of October during the financial year to which the report relates.

Question	Guidance
<b>Basic Information</b>	
1.1	Insert the financial year for which you are reporting
1.2	Insert the year of your funding (i.e. Year 1, 2 or 3)
1.3	Insert the total budget (including funding from other sources). Please make a note if this has changed during this financial year. Reasons for changes should be reported in section 3.
1.4	Insert the total amount of funding received through the IDF.
1.5	Confirm that supporting documentation has been included with your report. Please tick those boxes that apply. Confirm whether any changes have been made to the logical framework/business plan, and whether the LF/BP submitted has been approved by the Scottish Government (or is pending approval).
1.6	Please reference previous (actionable) feedback that you have received since your last report, and describe any action that has been taken in response/ since then.
1.7	Insert the date that your report was produced.
1.8	Insert the names and positions of the key person(s) involved in preparing your report.
1.9	It is essential that you let us know if any of your contact details have changed.
<b>Progress and Results</b>	
2.1	If your planned activities have changed significantly in focus or delivery since inception, please explain how and why, attaching copies of all relevant correspondence you have had with the Scottish Government about this. Please also describe and explain any changes to basic information here.
2.2	If your Logical Framework/Business Plan has changed over the last Financial Year please detail and explain these here. This enables us to more quickly understand the changes and your progress, based on the most up-to-date information.
2.3	Please summarise key progress and results, providing explanations where required.
2.4	If progress towards delivering activity and outcomes has been slower than planned, please use this space to indicate the reasons why and whether any risks outlined in your application have impacted on activities and outcomes.
<b>Financial Reporting</b>	
3	<b>For this question, you will also need to complete the budget spreadsheet.</b> Please use the budget columns to provide a breakdown of actual expenditure incurred during the financial year to which this report relates, against expenditure planned as well as expected expenditure for the next financial year. Please outline any reasons for any discrepancy in the budget spend. <i>N.B If the budget spend is more than 10% different from the original estimate please use the final column to provide more detail.</i>
3.1	It is important for us to understand reasons for underspend.

## **Annex 2: Budget Spreadsheet**