



POLICY AND RESOURCES SCRUTINY COMMITTEE - 5TH AUGUST 2014

SUBJECT: FAIRTRADE PRODUCTS

REPORT BY: PROCUREMENT SERVICES

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise the Scrutiny Committee on the Council's current commitments to the purchasing of Fairtrade products.
- 1.2 The report identifies what Fairtrade products are currently purchased and other methods used within the Council for supporting Fairtrade and other Ethical Schemes.

2. SUMMARY

- 2.1 A request was received from Cllr. Reynolds to ascertain the Council's current position with regard to the purchasing of Fairtrade products.
- 2.2 The report takes into account the purchase of food items that are approved as Fairtrade or form part of other Ethical Schemes and also seeks to establish if the Council has any Fairtrade Schools and what, if any, benefits they have experienced in gaining this accreditation.
- 2.3 Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. The Fairtrade Foundation provides a certification and a Trade Mark which can be used on products which meet international Fairtrade standards.
- 2.4 As well as Fairtrade there are also other Ethical Schemes that are offered including, for example, the Rain Forest Alliance and the Council also considers these other means of ethical consumerism alongside Fairtrade during the procurement process.

3. LINKS TO STRATEGY

- 3.1 Fairtrade is a form of ethical trading which supports the themes of Sustainable Development.
- 3.2 The Authorities commitment to promoting and purchasing Fairtrade supports the Sustainable Development Strategy, 2008 and the Education for Sustainable Development Strategy, 2009.

4. THE REPORT

- 4.1 In March 2004 the Council declared and carried a Notice of Motion for Fairtrade Products to show their support and commitment in regards to the use of Fairtrade within the Council.

The motion put forward the following objectives for the Council as detailed in the report below.

- Ask the Sustainability Officer to advocate where appropriate the use of FAIRTRADE mark products and to procure Fairtrade products, namely coffee and tea and any other appropriate items that maybe used in the Council's catering department.
- Use these products at all relevant opportunities when providing refreshments.
- Use all publicity opportunities to promote its commitments in the aforementioned Notice of Motions' aims.
- Where appropriate display literature advertising the fact that we serve FAIRTRADE mark products.
- Encourage other employers and businesses to follow the Council's lead in this matter within the county borough.

4.2 To support the Motion Fairtrade was included as an agenda item for the Sustainable Development Advisory Panel (SDAP) (made up of eleven (11) elected members and officers providing cross party support for sustainable development and chaired by the Leader of the Council) to ensure Fairtrade is promoted at a strategic level within the Council. This resulted in the Sustainable Development Team supporting a number of initiatives in Schools and within Caerphilly itself as highlighted in the report below.

4.3 Schools within the Council currently work towards the Fairtrade Schools Award, which supports their Eco Schools program and their Education for Sustainable Development and Global Citizenship work.

4.4 Out of the ninety-one (91) Schools within the Council, fifty-six (56) are currently registered for the Fairtrade Schools Scheme and are working towards the Fairtrade Schools Award. At present seven have achieved the Fairtrade Schools Award as follows:

Ysgol Y Lawnt
Tiryberth Primary
Hendredenny Park Primary
YGG Caerffili
Fochriw Primary
Cefn Fforest Primary
St James Primary

4.5 The Fairtrade Schools Scheme is currently undergoing some changes this year resulting in the current award being split into five separate awards, making awards more attainable and appealing for Schools to strive towards. The sustainable development team will be supporting the Schools to incorporate these changes and to help them apply for the relevant award. Involving the children in achieving the award will allow them to gain knowledge and awareness of the purpose and importance of Fairtrade.

4.6 The sustainable development team supported the Caerphilly Fairtrade Town Group between 2006 and 2012, which included:

- Assisting Caerphilly Town in achieving Fairtrade Town status in 2008, with the status renewed in 2011
- Working with local retailers and businesses to encourage them to stock and promote Fairtrade goods
- Working with the local community – Schools, churches, community groups and associations to encourage them to support Fairtrade
- Promoting Fairtrade to CCBC staff and employees via presentations, coffee mornings, tasting sessions, articles in Newline and on the website.
- Fairtrade events and stalls at major CCBC events including 'The Big Cheese' and 'The Flower Festival'

Procurement Process

- 4.7 The inclusion of Fairtrade products has been listed in a number of tender processes to try and encourage suppliers to provide Fairtrade goods and other ethically sourced products to the Council, the suppliers are requested to make a range of Fairtrade lines available to the participating Councils, for example tea, coffee, confectionary and juice to be served at their corporate events.
- 4.8 As an example the contracts administered by Officers of the Council on a collaborative basis that include the requirement for Fairtrade and other ethical schemes (e.g. Rain Forest Alliance and alike) are as follows:
- CCBC/PS1126/13/DM - The Supply of Fresh Prepared & Unprepared Fruit, Salads & Vegetables.
- CCBC/PS1043/11/RJ – Supply and Delivery of Groceries and Provisions and Frozen Foods.
- CCBC/PS1086/12/DM – The Supply and Delivery of Soft Drinks and Confectionary.
- 4.9 Procurement Services, as part of the contract planning process, undertake a Sustainable Risk Assessment (SRA). This document has been developed by Value Wales, a division in Welsh Government responsible for shaping and adopting procurement policy, monitoring procurement practice, supporting and advising procurement professionals, developing the procurement profession, and compliance with EU regulations.
- 4.10 Although Fairtrade is not specifically mentioned within the SRA, one question asks “Is there an eco-label / product / supplier declaration associated with this product?” Thus prompting buyers to consider the use of Fairtrade and other Eco-labels when undergoing a procurement process.

Benefits, Challenges and Moving Forward

- 4.11 The following benefits have been identified by the Sustainable Development team in regards to the Council taking part in the Fairtrade scheme:
- The Fairtrade Schools Award Supports the Global Citizenship work required as part of the Eco Schools Award.
 - Schools can incorporate Fairtrade into the curriculum for all year groups.
 - The pupils have been able to meet with Fairtrade producers, which allowed them to gain information about their life and why Fairtrade is important to them.
 - Providing the pupils with a better understanding of Fairtrade, what is fair and unfair, the possible consequences of their choices and decisions and their impact locally and globally.
 - Schools now look at a variety of Fairtrade items including food products, clothing, and sports equipment.
 - Caerphilly town achieved Fairtrade town status in 2008 and again in 2011, which encouraged local businesses to stock Fairtrade products.
 - The ESD Officer runs Fairtrade training sessions for interested Schools once a term, in partnership with Fairtrade Wales. The Schools attending benefit from these sessions via support in working towards the Fairtrade School award, they receive free resources to use in their school, they receive support for events and have the opportunity to share best practice and ideas with other Schools.
- 4.12 The following challenges have been identified:
- Schools try to include Fairtrade fruit in their tuck shops, but often this involves an increase in costs of the product, which can deter Schools from using the products.
 - The Education for Sustainable Development Officer (ESD) supported Caerphilly Town Group between 2006 and 2012 however the provision of support has not been possible since 2012 due to other work commitments.

- Current EU Public Procurement Rules have restricted the ability to deliberately choose Fair Trade products making it more of an additional benefit rather than a certainty, however the EU Rules have undergone a review process, which has looked at procurement of Fairtrade goods which will allow Public Sector bodies throughout Europe to be able to make more of a deliberate choice for Fair Trade products.
- Fairtrade was previously included within the Procurement Strategy 2010 - 2012, however since the Minister for Finance launched the Welsh Public Procurement Policy (December 2012) the Welsh Public Sector is expected to adopt the principles set out within that document which does not tend to focus on Fairtrade products.
- There is heavy focus on Community Benefits and providing opportunities for smaller and local suppliers. The new Procurement Strategy and Policy 2013 – 2015 continues these themes and looks to embrace these principles as well as continuing with the themes of developing Small and Medium sized Enterprises (SME's) as laid out in the 'Opening Doors' SME Charter to which the Council has signed up to.

4.13 Moving forward:

- Caerphilly CBC continues to support Fairtrade by providing Fairtrade products such as tea and coffee in their canteens and meetings.
- The Council continue to incorporate products from other Ethical Schemes such as the Rainforest Alliance, MSC Certified (fish), Free-range (poultry), Organic standard and recycled or recyclable products.
- Schools continue to be encouraged and supported in becoming a Fairtrade school by working towards the Fairtrade Schools Awards in order for more Schools in the Borough to achieve Fairtrade status and raise awareness of the issues to children in Schools.
- There will need to be a review how the UK Government transposes the new EU Public Procurement Rules into UK Law (anticipated to be November 2014) with regards to the use of Fair Trade products so that these new measures can be incorporated into applicable procurement processes.
- Consult with Catering Services to explore the possibility of increasing the quantity of Fairtrade goods sold in the canteen. Suggest undertaking a piloting exercise to introduce new Fairtrade lines to identify if staff members choose to purchase the Fairtrade goods.
- Request that the weekly menu for the Council's canteen highlight the Fairtrade ingredients that are used in the different meals similar to how the Council promotes local produce that is used. This would create awareness of Fairtrade, promote the work that the Council already do and highlight the variety of Fairtrade items available.

5. EQUALITIES IMPLICATIONS

- 5.1 This report is for information purposes, so the Council's EqIA process does not need to be applied.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no financial implications attached to this report and any costs associated for items or services linked to the report will be considered at the appropriate time.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications attached to this report.

8. CONSULTATIONS

- 8.1 All views following consultation have been incorporated within the report.

9. RECOMMENDATIONS

9.1 It is recommended that Members note the content of the report.

10. REASONS FOR THE RECOMMENDATION

10.1 To ensure the Council continues with its commitment to supporting the purchasing of Fairtrade products.

11. STATUTORY POWER

11.1 Local Government Act 1972, The European Union Treaty & Directive made there under, Public Contract Regulations 2006.

Author: Jessica Thomas, Assistant Procurement Officer, thomaj11@caerphilly.gov.uk
Rhys James, Procurement Officer, Jamesrm1@caerphilly.gov.uk

Consultees: Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer, scammn@caerphilly.gov.uk
Cllr K.V. Reynolds, Leader of Council, reynokv@caerphilly.gov.uk
Cllr H. David, Chair of Policy and Resources Scrutiny Committee, davidh@caerphilly.gov.uk
Cllr S. Morgan, Vice Chair of Policy and Resources Scrutiny Committee, @caerphilly.gov.uk
Cllr B. Jones, Deputy Leader and Cabinet Member for Corporate Services, jonesb12@caerphilly.gov.uk
Elizabeth Lucas, Head of Procurement, lucasej@caerphilly.gov.uk
Lisa Lane, Solicitor (on behalf on Gail Williams-Monitoring Officer), lanel@caerphilly.gov.uk
Ian Evans, Contracts Manager, Procurement Services, evansi1@caerphilly.gov.uk
Anne Knibbs, Principal Procurement Officer Knibba@caerphilly.gov.uk
Paul Cooke, Team Leader, Sustainable Development & Living Environment, cookepa@caerphilly.gov.uk
Tracy Evans, Education for Sustainable Development Officer, evansta@caerphilly.gov.uk

Background Papers:

Welsh Public Procurement Policy

SME 'Opening Doors' Charter

Fairtrade Schools Award - <http://Schools.fairtrade.org.uk/fairtrade-Schools>

Procurement Strategy and Policy 2013 - 2015

Fairtrade Resolution – Council Meeting March 2004

Fairtrade Town Application Form 2008

Caerphilly Fairtrade Renewal Form April 2011

CCBC Fairtrade Resolution