



Report of the Fairtrade Working Group

February 2007

Final Report

Members of the Fairtrade Working Group

Membership of the Fairtrade Working Group

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Chair's Foreword

Bradford Council is determined to build on the progress made in the district since the resolution of July 2002 which led to Fairtrade City status. I would like to pay tribute to the Fairtrade Bradford who have achieved so much since that initial decision which has led to the District being recognised regionally as the beacon for best practice in Fairtrade.

This review of our policy has allowed us to look at developments in the field and extending our direct involvement in supporting Fairtrade and we hope that the recommendations we are putting forward in this document will allow a wider understanding of Fairtrade across the Council and our partners and also encourage the private sector to look at their own policies and extend the use of Fairtrade goods across the District.

Fairtrade is not simply an ethical issue, it makes economic sense for local businesses – ensuring both a more secure supply chain and also access to a growing market in the United Kingdom. I hope that this report will help in this debate and that businesses will investigate the opportunities that involvement in Fairtrade offers them.

I would like to thank the members of the Working Group and the officers involved for their hard work, commitment and good humour in producing this report and I look forward to seeing these words put into action in the months and years to come.

Councillor Dave Green
Chair, Fairtrade Working Group

Chapter 1 – Introduction

Background

At the meeting of Full Council on 17 July 2002 it was resolved that the Council should work towards obtaining the status of a Fairtrade City, with all coffee, tea, chocolate and bananas provided as part of municipal meetings, functions and meals being procured from Fairtrade sources as far as is practical.

On 17 January 2006, Full Council requested that the Council's Improvement Committees review progress against the Council's Fairtrade Policy and examine options for expanding the availability of Fairtrade products within schools and from markets across the District.

The exact wording of these recommendations can be found at Appendix 1.

As a result of the above recommendation, a Fairtrade Working Group was established by the Corporate Improvement Committee, comprising of Cllr Dave Green, Cllr Hawarun Hussain and Cllr Philip Thornton (representing the relevant Improvement Committees).

The Working Group was tasked with examining current practice across the District; exploring any identified examples of good practice; seeking to identify any areas for improvement and making appropriate recommendations.

The Scrutiny Process

1. This scrutiny has been carried out in accordance with the arrangements detailed in paragraph 2, Part 3E of the Constitution of Bradford Metropolitan District Council.
2. The Working Group received evidence from a variety of sources, both internal and external to the Council. The names of those who provided information can be found at Appendix 2.
3. The Working Group was keen to hear the views of external organisations, both nationally and locally, and invitations to meet with the Working Group were extended to representatives from the Fairtrade Foundation, Traidcraft and Oxfam, who unfortunately were unable to send representatives to meet with the Working Group. The Working Group did however, meet with the Chair of Fairtrade Bradford and were able to discuss issues of a local nature.
4. Prior to the first meeting of the Working Group a “desk top” exercise was carried out. As there is no central purchasing point within the Authority, this involved contacting the various departments that may potentially purchase / use Fairtrade products.

The departments initially contacted were as follows:-

- Education Contract Services
- Social Services
- Markets
- Procurement

A summary of the information provided as part of this process is attached at Appendix 2.

As the enquiry progressed, the working group also received information from the department of Culture, Sport and Tourism.

5. Whilst undertaking the scrutiny of Fairtrade, the Working Group was conscious that whilst discussing Fairtrade issues, consideration should also be given to the issue of Food Miles and local economic factors including whether or not Fairtrade goods can also be sourced through local producers.
6. The draft recommendations within this report were consulted on and all comments received were considered by the Working Group prior to finalising this report. A list of consultees can be found at Appendix 3.

What is Fairtrade?

The FAIRTRADE Mark is an independent consumer label which appears on products as an independent guarantee that disadvantaged producers in the developing world are getting a better deal.

The Fairtrade Foundation is the independent body in the UK that awards the FAIRTRADE Mark to products which meet Fairtrade standards. For a product to display the FAIRTRADE Mark it must meet international Fairtrade standards. Producer organisations that supply Fairtrade products are inspected and certified by the Fairtrade Labelling Organisations (FLO). Producers receive a minimum price that covers the cost of sustainable production and an extra premium that is invested in social or economic development projects.

Development agencies recognise the important role that consumers can play to improve the situation for producers. By buying direct from farmers at better prices, helping to strengthen their organisations and marketing their produce directly through their own one world shops and catalogues, the business organisations offered consumers the opportunity to buy products which were bought on the basis of a fair trade.

There are now more than 1500 Fairtrade products available from retail and catering suppliers in the UK.

What are food miles?

Food miles are the measure of distance a food travels from field to plate. Agriculture and food account for nearly 30 per cent of goods transported on UK roads.

This travel adds substantially to the carbon dioxide emissions that are contributing to climate change - which is why food miles matter. A new report by the Department for the Environment, Food and Rural Affairs (Defra) says that food miles rose by 15 per cent between 1992 and 2002.

Ninety-five per cent of the fruit and half of the vegetables in the UK are imported. The amount of food being flown into the UK doubled in the 1990s and is predicted to rise further each year. Air freight has a far bigger impact on the environment than sea or road travel has.

Chapter 2 – Findings and Recommendations

Fairtrade in Bradford

This part of the report presents the findings and conclusions the Working Group made as a result of their research. It also makes a number of recommendations for action by the Council and others. The work of the Fairtrade Working Group has now concluded, but it is important that a programme of monitoring and evaluation of all recommendations contained within this report is undertaken within an agreed timescale.

Current Council Fairtrade Policy

The current Council policy with regard to Fairtrade is as follows:

All coffee, tea, chocolate and bananas provided as part of municipal meetings, functions and meals should be procured from Fairtrade sources as far as is practical within existing UK and European legislation.

In considering the above policy, and from their own experience, the Working Group had some concerns regarding the provision of Fairtrade bananas at municipal functions, as they were unsure as to whether the bananas provided were always Fairtrade.

Recommendation 1

That the Executive considers methods to better demonstrate the implementation of the Full Council resolution regarding Fairtrade passed on 17 July 2002.

In addition, the Working Group established that the range of 'Fairtrade' branded products had expanded and felt that it was important for the Council Policy to reflect such developments and consider extending the range of Fairtrade products used.

Recommendation 2

That, subject to the outcomes of other recommendations in this report, the Executive considers expanding the scope the current Council policy to better reflect the range of Fairtrade certified products now available and to act as an exemplar to its partners and the wider community.

Fairtrade Bradford

The Working Group met with John Anderson, the Chair of Fairtrade Bradford, and were advised that Fairtrade Bradford came about mainly due to the resolution of Council in July 2002.

Mr Anderson reported that Bradford is the most active Fairtrade authority in West Yorkshire, with Fairtrade Bradford having 29 active members that meet quarterly to co-ordinate all Fairtrade activities in Bradford. The Council currently provides a support officer from the Markets Section to act as secretary at these meetings.

Mr Anderson went on to explain some of the difficulties his group had engaging with certain groups - schools and small, Asian-run businesses in particular. Fairtrade Bradford had previously attempted to arrange an event to engage with the relevant people, but this had to be postponed through lack of take up. Mr Anderson stated that to his knowledge none of the British-Asian run shops in the district stocked Fairtrade products.

The Working Group felt that it was important to build on the good work throughout the district, and agreed that the Council should support the work of Fairtrade Bradford particularly in an attempt to better engage with those “hard to reach” groups.

It was also felt that the Council needed to continue to be involved in the promotion of Fairtrade across the District and amongst its partners.

Recommendation 3

That the Council reaffirms its support of Fairtrade Bradford and continues to be an active member in its operation, including the joint arrangement of a Fairtrade Business Forum event, aimed at promoting and raising awareness of Fairtrade within the business community.

The Criteria for Fairtrade Zone Status

The Fairtrade Foundation is the body that awards Fairtrade status. The criteria for the award are:

- The Local Council passes a resolution to support Fairtrade, by agreeing to serve Fairtrade coffee and tea at its offices and canteens
- A range of at least two Fairtrade products is readily available in the area's shops. Fairtrade products are served in local cafes/catering establishments
- Fairtrade products are used by a number of local work places (estate agents, hairdressers etc and community organisations such as churches, schools etc)
- Good media coverage and popular support for the campaign
- A local Fairtrade steering group be convened to develop the process of accreditation and to ensure continual commitment to its Fairtrade Town or City status

The targets set by Fairtrade Foundation for the necessary number of Fairtrade retail and catering outlets serving a town or zone depend on the size of the population and are complex.

The Fairtrade Foundation certificate can only be achieved once these five goals have been signed and dated by the steering group and the Fairtrade Foundation. Bradford became a Fairtrade zone on 6 March 2006.

When Bradford achieved Fairtrade Zone status there were 75 shops and 34 cafes selling two or more Fairtrade products. Within this zone are official, nationally recognised Fairtrade towns and villages - Shipley, Haworth, Baildon, Ilkley and Bingley; many official Fairtrade churches; and a Fairtrade University.

Fairtrade Bradford is responsible for an annual assessment to monitor whether areas are continuing to meet the five goals and further information on Fairtrade Bradford can be found at www.bradford.gov.uk/fair_trade.

However, the Working Group were concerned that once a district had achieved Fairtrade status there was not sufficient recognition for continued/ additional efforts to further develop and enhance the availability of Fairtrade products: The group felt that an incentive for continuing to develop Fairtrade could be a form of grading - perhaps Bronze, Silver and Gold standards, with different and more challenging criteria for achieving each grade.

Recommendation 4

That Fairtrade Bradford, through discussions with the Fairtrade Foundation, investigates the possibility of establishing a national grading scheme for Fairtrade zones.

Purchasing Fairtrade Products

Procurement

One of the common reasons put forward for not purchasing more Fairtrade products is the associated cost implications. However, the Working Group established that, while there is provision for the Council to purchase some Fairtrade products through the Yorkshire Purchasing Organisation (YPO), there is no specific contract framework in place for the purchase of Fairtrade products overall.

Each department within the Council that purchases Fairtrade products does so as an individual department, and as such it is difficult to calculate exactly how much the Council, as a whole, spends on Fairtrade products; although estimates are provided below.

Department/Org	Current annual spend	Supplier
ECS	£4,300	YPO
City Hall	£5,710	Cappresso & Northern Vending
City Hall	£2,000	Traidcraft
ECS	£1,200*	Traidcraft
Culture, Tourism & Sport	£500**	Premcrest / Cappresso / YPO / Coopers
	£13,710	

* ECS spend is likely to reduce on Fairtrade with Traidcraft due to chocolate and chocolate based products now no longer being allowed in schools.

** The department of Culture, Tourism and Sport is currently running a pilot scheme aimed at making Fairtrade products available through its outlets in sports centres. The pilot scheme is in its early stages, however there is potential for CTS spending to increase to around £30,000 depending upon the scheme's success.

Recommendation 5

That the Chief Executive seeks to establish a senior officer champion to coordinate all the Council's Fairtrade activities.

Culture, Tourism & Sport will be tendering their machine vending service shortly: The specification for hot drinks vendors will be that all products will be Fairtrade & vended in paper cups. The specification for snacks will include a range of Fairtrade products.

It also emerged that Social Services spends in the region of £400k on their hot and frozen meals contract with "Apetito", which runs until May 2008 (with an option to extend). Currently, "Apetito" do not use any Fairtrade sourced products for the meals they produce, although it may be possible to include some provision for the use of Fairtrade products when reviewing the contract specification; however this may lead to a price increase that would be passed on to service users, as the hot meals are already heavily subsidised.

Recommendation 6

That the Strategic Director for Adult Services examines the feasibility of revising the hot and frozen meals contract specification to require the use of Fairtrade products in the production of meals provided on behalf of the Council.

The Procurement unit advises that an annual purchase of over £10,000 should go through a tender process. It would seem that if all Fairtrade products were purchased through one department or framework agreement, the Council should be able to achieve economies of scale by taking advantage of discount offered to large scale purchasers. Potentially this may allow the Council to actually use more Fairtrade products, whilst reducing / minimising the financial impact of using Fairtrade sourced products.

Recommendation 7

That, in order to achieve financial benefits through discounts associated with bulk purchases and in order to allow the Council to accurately record of the level of spending on Fairtrade products, the Head of Procurement investigates the options for establishing a framework agreement or agreements for the procurement of all Fairtrade products across the Council.

External organisations

The Working Group invited representatives from the Fairtrade Foundation, Oxfam and Traidcraft to meet with them to discuss Fairtrade in relation to Local Authorities. Unfortunately due to the timescales involved with the scrutiny, the representatives were unable to attend. However, Traidcraft did provide the Working Group with some detailed written information, including:

- Traidcraft has a wholesale department, although it appears that councils in general do not purchase enough to warrant wholesale terms (£20,000 over a year).
- Departments wishing to purchase from Traidcraft on an individual basis, Traidcraft also operate small-scale catering accounts with a credit limit of £200 but offering no discount.
- They also offer 'fair trader' accounts, for councils/departments that purchase over £500 worth of goods in a year. This account offers a small discount (10% on foods, 15% on non-foods).
- Many councils' purchase Traidcraft products through DBC food service (www.dbc.co.uk) who have a wide range of Traidcraft products.
- A wholesaler like DBC would be looking for volumes of about £5000 over a year and will be able to offer larger discounts.

Yorkshire Purchasing Organisation (YPO)

YPO procure Fairtrade products from a variety of sources. At present YPO does not purchase from Traidcraft, but has indicated that this is an option it is considering for the future. YPO is currently examining the area of Fairtrade in greater detail, which may result in changes, in the near future.

Fairtrade food in schools

Education Contract Services (ECS) spends approximately £4 million on food per annum and uses Fairtrade rice and pasta as part of the meal ingredient on Fairtrade days within schools. Fairtrade days are where individual schools organise special events to increase students awareness of Fairtrade, linking in with the school curriculum. Representatives of the Bradford Fairtrade Steering Group have sometimes attended these days to speak about Fairtrade. Other Fairtrade products such as fruit juice, coffee, tea and geobars are available on a daily basis. All Fairtrade products are clearly labelled and signage is used to promote the Fairtrade products.

Recommendation 8

That the Strategic Director for Services to Children and Young People seeks to encourage all schools across the District to use Fairtrade food products on a regular and ongoing basis, rather than just on the special Fairtrade days.

Fairtrade Products

The Working Group established that the range of 'Fairtrade' branded products had expanded; and the FAIRTRADE Mark is now available on non-food products, such as products made with Fairtrade certified cotton. These products, which include clothing and cotton wool, are made from cotton grown by small farmers in India, Peru, Mali and Senegal.

There may be some concern regarding the cost of these products, but cotton products on sale in the UK already vary considerably in price depending on a range of factors including quality, branding, designer labels and the retail outlet. In addition, the Fairtrade Foundation states that many Fairtrade products are competitively priced and do not necessarily cost more than their conventional equivalents.

As well as clothing, Fairtrade sports balls are also available. These are hand-made and include stitched, glued and moulded varieties, all produced in line with the internationally agreed Fairtrade standards. Fairtrade outdoor and indoor footballs, rugby balls, beach volleyballs and basketballs are available in a wide variety of sizes and qualities. Machine-stitched balls are not covered by the Fairtrade sports ball standard.

Fairtrade standards are very clear that children are not permitted to work in the factories, stitching centres or sub-contracted units. These sites are all monitored by independent inspectors to ensure that this condition is strictly adhered to.

The Working Group felt that it was important for the Council to consider extending the range of Fairtrade products used beyond food, and that schools could work with uniform suppliers to examine the feasibility of offering at least one item of Fairtrade clothing, such as polo shirts.

Recommendation 9

That the Strategic Director for Services to Children and Young People through the relevant Head teacher forums, seeks to encourage schools to:

- (a) Liaise with uniform suppliers to arrange for them to offer at least one piece of Fairtrade clothing as part of the uniform for each school; and,*
- (b) Purchase Fairtrade sports equipment including footballs, rugby balls, and basketballs.*

Recommendation 10

That the Strategic Director for Culture, Sport & Tourism investigate the feasibility of all Council sports facilities purchasing Fairtrade sports balls.

Recommendation 11

That the Head of Procurement, seeks to enhance the wording in the Council's current Contract Standing Orders to include reference to the requirement to support the purchase of Fairtrade products, with the aim of increasing the range and volume of Fairtrade sourced products procured by the Council.

Council Resolutions relating to Fairtrade

On 17 July 2002 full Council resolved:

That in the interest of global responsibility, equality of opportunity and inclusiveness, Bradford Council considers that it should:

- Work towards obtaining the status of a Fairtrade City, and*
- As the first step, agrees that all coffee, tea, chocolate and bananas provided as part of municipal meetings, functions and meals are procured from Fairtrade sources as far as is practical within existing UK and European legislation.*

The Executive is requested to endorse and implement this policy and the progress towards obtaining the status of a Fairtrade City being monitored by the Overview & Scrutiny Committee (Environment).

On 17 January 2006 full Council resolved:

This Council:

- (a) notes the goals of the Council motion passed on 16 July 2002 and is proud of the progress that has since been made in working towards Fairtrade City Status for the Bradford District;*
- (b) recognises the hard work of many individuals across the District in supporting this campaign and the professional contribution made by council officers;*
- (c) acknowledges that Bradford Council has a central role in supporting Fairtrade across the District;*
- (d) and looks forward to the launch of Fairtrade Fortnight in March 2006.*

This Council therefore:

- (a) requests that the Corporate Improvement Committee reviews Bradford Council's progress in this policy area within the next six months;*
- (b) requests that the Executive and the Young People and Education Improvement Committee each review the options for expanding the availability of Fairtrade products in the District's schools in the next six months;*
- (c) requests that the Executive and the Regeneration and Economy Improvement Committee each review the options for promoting the availability of Fairtrade products in the District's markets in the next six months;*
- (d) acknowledges that additional Council resources may be needed in this area of policy in the 2006/2007 financial year in order to promote Fairtrade throughout the District;*

Summary of desk-top information

What Fairtrade products do we currently purchase?	
Procurement	Fairtrade products we purchase are: chocolate, coffee, tea, sugar, orange juice, apple juice. See attached spreadsheet from YPO which shows the volumes purchased over last 12 months.
ECS	<p>ECS purchase coffee, tea, sugar, apple and orange juice, cookies and Geobars as well as some fruit, pasta and rice for schools.</p> <p>City Hall purchase coffee, tea, cookies, Geobars and chocolate for over the counter sales in City Hall, Jacobs Well and Flockton House.</p> <p>Fairtrade tea is used for council meetings and subject to availability Fairtrade fruit is offered.</p> <p>All drinks vending machines in City Hall and Britannia House use Fairtrade products, tea, coffee and hot chocolate; and the coffee and chocolate in the Capresso machines are also Fairtrade. All the machines have the Fairtrade logo on the front of them.</p>
Social Services – Domiciliary Services	<p>Home Care does not purchase goods other than staff equipment such as touches and so forth via YPO.</p> <p>The hot and frozen meals service is contracted to Apetito who do not currently source any Fairtrade products.</p>
Social Services – Executive Support Manager	From the Children's Services perspective there is no strategy currently to use Fairtrade Products and any plans to do so would need to be carefully considered and costed.
Who/ where do we get our supplies from?	
Procurement	YPO are the only organisation I am aware of that we buy Fair trade products from (ECS may use others).
ECS	Catering supplies are purchased from YPO and Traidcraft, drinks for vending machines are from Capresso and Northern Vending and fruit is supplied by the contracted fruit suppliers
How much does the Council currently spend on Fairtrade products?	
Procurement	See spreadsheet. ECS may be able to add to this.
ECS	ECS currently spends approximately £5,000 per annum and City Hall spends approximately £9,000 per annum on Fairtrade products.
How many outlet facilities are there within the Council, including schools, where Fairtrade products are available?	
Procurement	Not sure ECS should know.
ECS	ECS supply Fairtrade products in 13 high schools within the Bradford area, Jacobs Well, Flockton House as well as for Council meetings at City Hall. Fairtrade is supplied in vending machines in City Hall and Britannia House.

What are the implications (including cost) of the Council resolution for your department?	
Procurement	No cost implications for Procurement apart from the extra few pence on catering costs. ECS should have data which compares the cost of non fair trade products with fair trade ones so the extra cost across the Council can be assessed.
ECS	Prices are higher on some products and it is not possible to pass this cost on within the school meal price.
What opportunities are there within your department for increasing the amount of Fairtrade produce used/ being made available? What, if any, would be the cost implications associated with taken advantage of these opportunities?	
Procurement	In terms of opportunities to increase fair trade products, in this department we have a role in keeping pressure on YPO to stock the products.
ECS	Opportunities have been reduced within schools, due to new government nutritional standards - with chocolate based products no longer being allowed in the menu offering. There are opportunities to use more rice, pasta and sugar as ingredients within school meals, but these would need to come down in cost.
Social Services – Domiciliary Services	<p>We could encourage service users to purchase Fairtrade products by Home Care Assistants influencing their shopping choices.</p> <p>As for the hot and frozen meals service contracted to Apetito: The contract is for 3+2 years and when renewed we would need to have something in the contract specifying the requirement to use a % of Fairtrade products in the meals to have an impact in this area – this would lead to a price increase that would be passed on to our service users, as the hot meals are already heavily subsidised.</p>
Social Services – Executive Support Manager	From the Children's Services perspective there is no strategy currently to use Fair Trade Products and any plans to do so would need to be carefully considered and costed.
What are the procurement issues associated with Fairtrade?	
Procurement	There is a cost increase in Fairtrade products which I presume the Council is happy to pay because of the policy. Fairtrade products are now more widely available and are starting to diversify away from just food products into other areas (e.g. sports equipment - footballs) so there are new markets to look at.
ECS	The procurement issues for using Fairtrade is the increased cost, limited range of goods from suppliers that comply with nutritional guidelines for schools, supplier's minimum order values/delivery charges and availability of Fairtrade fruit.

Interested Parties

Organisation/Department	Name
Policy & Performance	Dani Mistry
Education (Client side)	Julie Holmes
Markets Service	Malcolm Veigas
Procurement	Ian Smart
Fairtrade Bradford	John D Anderson
Culture, Tourism and Sport	Steve Warner
Social Services – Domiciliary Services	Pat Cole
The Green Party	Cllr Kevin Warnes
Portfolio Holder	Cllr Anne Hawkesworth
The Fairtrade Foundation	Nominated representative
Traidcraft	Nominated representative
Oxfam	Nominated representative