

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	14 March 2011
Report of:	Jez Goodman, Economic Development Manager David Wharton, Head of Procurement
Subject/Title:	Fairtrade Status
Portfolio Holder:	Cllr Jamie Macrae Cllr Peter Mason

1.0 Report Summary

- 1.1 At Full Council on 16 December 2010, a Notice of Motion was submitted by Councillor Shirley Jones and supported by Councillor Gillian Merry, to give consideration to establishing Fairtrade status for Cheshire East Council. It was resolved that the motion be referred to Cabinet
- 1.2 Section 10.8 of this report summarises the steps needed to acquire Fairtrade status and identifies how these would be undertaken and their implications.

2.0 Decision Requested

- 2.1 Cabinet is recommended to:
- Consider the contents of this report and to proceed in seeking to fulfil the criteria required for the Council to achieve Fairtrade status.

3.0 Reasons for Recommendations

- 3.1 This matter has been formally submitted for consideration through Full Council.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including - Carbon Reduction - Health

- 6.1 The main policy implications refer to corporate procurement policies. There are no directly relevant implications for other policies.

7.0 Financial Implications (To be authorised by the Borough Treasurer)

- 7.1 In order to implement Fairtrade status across Cheshire East Council, there may be some minor implications in terms of staff time and negligible costs such as limited poster printing for internal use. These could be absorbed within Service budgets, or through nominal increased charges to customers (eg. vending machines).
- 7.2 Ideally, in order to undertake a more full and active promotion of Fairtrade status, additional resources would need to be identified. However, it is proposed that a more limited approach be taken at this stage with costs being absorbed within existing Service budgets and the purchase of specific promotional material is kept to an absolute minimum, focusing principally on use of generic Fairtrade promotional materials.
- 7.3 If Cabinet seeks a more enhanced, pro-active role in relation to the promotion of Fairtrade in the Borough, this could only be done through reallocating existing resources, including staffing capacity and the cost of promotional materials estimated to be in the region of between £2k and £4k per annum.

8.0 Legal Implications (To be authorised by the Borough Solicitor)

- 8.1 In achieving fair trade status the Council must not unfairly advantage suppliers of fair trade products or breach the Public Contracts Regulations as this could result in the Council being legally challenged by equally equitable organisations.

9.0 Risk Management

- 9.1 No key risks identified.

10.0 Background and Options

What is 'Fairtrade'

- 10.1 Fairtrade is a tool for development that ensures disadvantaged farmers and workers in developing countries get a better deal through the use of the international Fairtrade brand. Its purpose is to create opportunities for producers and workers who have been economically disadvantaged or marginalised by the conventional trading system.
- 10.2 Over 3,000 products bear the 'Fairtrade mark' by fulfilling these objectives and many Local Authorities now have 'Fairtrade' status where they comply with the objectives and use marked products. Individual towns also bear 'Fairtrade' status where they can demonstrate support for the principles, use and promote such products.

Fairtrade in Cheshire East

- 10.3 Some towns in Cheshire East already have Fairtrade status - including Alsager, Congleton and Sandbach. Other towns are 'working towards'

Fairtrade status, but this requires the commitment of the local Council. These towns have secured their status through resolutions made by their Town Councils. However, in the case of Crewe, Macclesfield and Wilmslow, the relevant Council is Cheshire East. For these towns to seek Fairtrade status, Cheshire East Council is required to fulfill the criteria identified in 10.7 below.

- 10.4 Although some of our towns actively promote and use Fairtrade products, Cheshire East Council generally does not; although some of our refreshments (eg. in Westfields) are Fairtrade. However, Cheshire East Council has already resolved to support Fairtrade in principle (Notice of Motion to Cheshire East Council on 1st April 2009 which was then referred to Cabinet on 19th May 2009). The resolution adopted was 'The Council Supports Fairtrade principles where consistent with value for money'.
- 10.5 Following this, Cheshire East Council officers, including representatives from Economic Development and Procurement, met with the Councillor Shirley Jones and Cllr Merry. As a result of this meeting, Councillor Jones submitted the Notice of Motion to Council to try and achieve Fairtrade Status for Cheshire East Council, as a means of enabling those towns which do not have a town or parish council to achieve this status.
- 10.6 Officers have provided supporting documents and also have offered to encourage all towns in Cheshire East to apply for Fairtrade status. However, to achieve Fairtrade status for all of its towns, Cheshire East Council needs to fulfil some other key requirements, as detailed in 10.7 below. There would be no significant requirement for any additional investment for a basic level of fulfilment of these criteria. However, any enhanced activity, such as significant additional promotion of Fairtrade in and outside the Council, would incur additional costs that would require identifying resources from within existing Service budgets.

Measures to achieve Fairtrade status and implications

- 10.7 The following measures are requirements of any Council in achieving Fairtrade status. The implications and process for a fairly basic level of fulfilment are also identified.

i) continuing to offer Fairtrade marked food such as tea, coffee and sugar internally for meetings and functions.

CEC Facilities Management already provide Fairtrade refreshments at Westfields, but this is not the case at other Corporate buildings. The Corporate Accommodation Manager has indicated that this could be undertaken with little difficulty subject to amendments to current supplier requirements. It is not anticipated that this will incur any significant additional costs and could, in fact, result in a minimal saving for the Authority through reduced wastage.

This could also be applied to most of our Leisure Centres for internal events, but may involve seeking to vary contracts in those centres where external caterers are under inherited contracts.

- ii) promoting the Fairtrade Mark using Fairtrade Foundation materials in refreshment areas keeping our commitment to value for money in mind.**

CEC Asset Management have indicated that this would not be an issue in our office buildings. Posters could be provided and placed in staff refreshment areas.

It is understood that there are no references to Fairtrade products in contracts for vending facilities provided at our leisure facilities. If so minded, the Council could include this as a requirement in new contract specifications that are now being prepared. However, this could have an impact on the value of such contracts to the Council and/or the cost to consumers.

- ii) promoting the Fairtrade Towns initiative in internal communications and external newsletters.**

and

- iv) encourage towns, schools, businesses ,faith groups and voluntary organisations in the Borough to promote Fairtrade**

CEC's role in the Sustainable Towns Network provides it with the opportunity of promoting relevant initiatives to our smaller towns and larger villages. This could feature as a future presentation item. Subject to new resources being identified, we could also promote this through an e-bulletin or website for our Sustainable Towns.

Existing communication channels to staff, schools and third sector organisations (eg. TeamTalk, PACE newsletter) could also promote key messages in relation to Fairtrade at no additional cost.

- v) use its influence to urge local retailers to provide Fairtrade options for the residents of the borough.**

It is not clear what influence we are expected to have over local retailers, other than our statutory controls. However, we could refer to Fairtrade in dealings with retailers, e.g. through environmental health/licensing, in business rate bills. Also, our Town Centre Managers could promote the Fairtrade concept and principles to our retailers through various town centre / retailer groups. This would be at little or no additional cost.

- vi) participating in community activities during Fairtrade Fortnight.**

If there is agreement from Members, CEC's Communications Team could develop a Communications Plan with local groups to promote Fairtrade events and initiatives during Fairtrade Fortnight. However, this would be on a responsive basis to event organisers, and should be coordinated through a single point of contact with an external Fairtrade lead.

- vii) setting up a Steering Group in partnership with Fairtrade organisations in the Borough, representatives of businesses, not for**

profit organisations , schools and other public bodies to oversee this strategy.

The nature of Fairtrade does not sit neatly with any particular Cheshire East Service or Council priority. It would therefore be questionable as to what role we would have in establishing such a partnership ourselves. Taking on board the essence of localism, and the pro-active approach adopted by local community interests, it would be more appropriate and effective for a Steering Group to be run by the key interest groups, with attendance by a designated Cheshire East officer. Rather than establish a Steering Group within the Council, it would be more appropriate that officers work with Steering Groups that already operate within those towns that have Fairtrade status.

Summary of proposed steps and implications

10.8

	Requirement	Action	Cost
1	Fairtrade refreshments in CEC venues/ meetings	Amend supplier contracts.	None/negligible.
2	Promote Fairtrade products in refreshment areas	Display posters, leaflets in staff kitchens where appropriate.	Design and print costs - under £500.
3 & 4	Promote Fairtrade internally and externally	Use existing communication channels and networks to raise awareness of Fairtrade.	None.
5	Influence larger retailers to sell Fairtrade products	Promote through existing relationships and communication with larger retailers, e.g. Town Centre managers.	None. Also, most larger retailers now have Fairtrade items in their product range.
6	Promote Fairtrade Fortnight	Communications role in promoting events through existing channels.	None, or at most limited to support in developing a communication plan with Fairtrade organisers.
7	Fairtrade Steering Group	Staff input in attending	None other than staff time.

11.0 Access to Information

- 11.1 The background papers relating to this report can be inspected by contacting the report writers:

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