

METROPOLITAN BOROUGH OF WIRRAL

FINANCE AND BEST VALUE OVERVIEW SCRUTINY COMMITTEE

6 DECEMBER 2006

REPORT OF THE DIRECTOR OF FINANCE

PROGRESS ON FAIR TRADE

1. EXECUTIVE SUMMARY

- 1.1 This report provides an update on the activities that have taken place in and around the Council to support the "Fairtrade Borough Status".

2 BACKGROUND

- 2.1 The Cabinet officially backed the campaign to become a Fairtrade Borough, promoted by the Fairworld Topic Group of the Wirral LA21 Network, on 23 September 2004. The Finance and Corporate Management Select Committee received a report and presentation on 15 March 2006 regarding progress on the bid. The status was conferred on the Borough at a ceremony at Pacific Road on 26 April 2006.
- 2.2 The background to Fairtrade stems from consumer concerns over the past two decades not only about the environment but significantly about social issues relating to the well-being and non-exploitation of labour. Fairtrade attempts to bridge between Southern producers and Northern consumers. One quarter of the world population and 60 per cent of coffee and tea growers live in poverty. When we buy tea or coffee in the supermarket, on average only 10% of the retail price will go to the growers which may not even cover the costs of production. Transnational companies control the trade in commodities such as coffee and force prices lower making it difficult for the growers to earn an adequate living.
- 2.3 Fairtrade ensures:
- A price that covers producers' costs (minimum wages)
 - A premium for producers to invest in their communities – clean water, healthcare, education, environment, housing.
 - Minimum health and safety standards.
 - Long term and more direct trading relations and more favourable credit terms.
- 2.4 Fairtrade is a trading partnership that seeks greater equity in international trade by offering better trading conditions to, and securing the rights of, marginalised farmers and workers in the developing world. Inspection and audit ensure the producers meet the Fairtrade standards of a democratic and participative structure where Fairtrade premiums are used to improve social conditions or the economic infrastructure.

3 FAIRTRADE AT WIRRAL

3.1 Set out below are actions in and around the Council that help demonstrate its commitment and support to a Fairtrade Borough:

- All beverages in the coffee machines in the Town Hall public meeting rooms are now Fairtrade and there are posters promoting this fact nearby.
- Fairtrade drinks are also served at Wirral Country Park Visitors Centre and at all Rangers meetings and events
- Fairtrade is mentioned specifically as part of the Wirral Council Sustainable Procurement Policy and the Sustainable Procurement Officer is working to introduce Fairtrade options to all of the Council coffee machines as contracts come up for renewal across the Authority
- We are working to ensure that events run by the Council use Fairtrade products (e.g. Wirral Investment Network annual dinner, regular Biodiversity Action Partnership forums)
- A Council officer attends all meetings of the Fairworld Action Group and has assisted with publicity and promotion of the campaign as well as advice about approaching Area Forums, schools and Councillors.
- The Council has circulated Fairtrade information and promoted it around various local business networks including Wirral Restauranters, Wirral Environmental Partnership, Wirral Tourism, Health and Education Support Sub Group
- The Council provided a grant to the Fairworld Action Group towards the campaign, and another grant was provided for the Group work with schools.
- A permanent page about Fairtrade is hosted on the Council website at <http://www.wirral.gov.uk/be/LA21/fairtrade.htm>
- Press Releases about Fairtrade have been issued by the Council and achieved coverage in the local press.
- Internally, Fairtrade has been regularly promoted in intranet bulletins, payslips, departmental magazines and, more recently, in the new 'onecouncil' magazine which goes out to 12,000 staff
- Fairtrade has also been promoted via the Council Green Team network with talks and tastings
- At least a dozen fair-trade coffee mornings were held in different departments during Fairtrade Fortnight 2006 (first two weeks of March).

3.2 In addition from a procurement perspective the following actions are taking place

- Wording is included in Corporate Procurement Unit (CPU) documentation to ensure Fairtrade issues are addressed, for example, within the Pre Qualification Questionnaire (PQQ) and also a statement on the CPU website.
- Fairtrade is to be included on the Induction courses for new staff.
- The possibility of a presentation on Fairtrade to the Nottingham Declaration Group is being reviewed.
- Fairtrade is to feature as an agenda item to continue to heighten awareness on the Strategic Procurement Group of senior officers who manage procurement issues across the Council
- The CPU is researching initiatives from other Fairtrade councils and examining the possibility of adopting best practice
- Stock lines of “Geo Bars” and Fruit and Vegetable supply options are to be further explored for sale within Council facilities

4. FINANCIAL IMPLICATIONS

4.1 There are no direct financial implications of this report.

5. STAFFING IMPLICATIONS

5.1 There are no specific implications arising out of this report.

6. LOCAL MEMBER SUPPORT IMPLICATIONS

6.1 There are no specific implications arising out of this report.

7. LOCAL AGENDA 21 STATEMENT

7.1 This report fully supports and seeks to implement LA21 issues relating to sustainable development.

8. PLANNING IMPLICATIONS

8.1 There are no specific implications arising out of this report.

9. EQUAL OPPORTUNITIES IMPLICATIONS

9.1 There are no specific implications arising out of this report.

10. COMMUNITY SAFETY IMPLICATIONS

10.1 There are no specific implications arising out of this report.

11. HUMAN RIGHTS IMPLICATIONS

11.1 There are no specific implications arising out of this report.

12. BACKGROUND PAPERS

12.1 Global Partners – Fairtrade and Local Authorities 'How to support Global Sustainable Development in your locality' An Oxfam Handbook, August 2001.

12.2 Fairtrade Foundation (www.fairtrade.org.uk).

12.3 DEFRA guidance (www.defra.gov.uk/farm/sustain/procurement/index)
(provides information on food procurement issues)

12.4 Sustainable Development
www.sustainable-development.gov.uk/sdig/improving/partf/greenbuy/index.htm
(provides information on EC Directives, use of Ecolables and product areas).

13. RECOMMENDATION

13.1 That the Committee supports the action to promote Fairtrade products.

IAN COLEMAN
DIRECTOR OF FINANCE

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