

Subject:	Fair Trade within our Minimum Buying Standards		
Date of Meeting:	9 June 2016		
Report of:	Executive Director for Finance & Resources		
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 At Council on 28 January 2016 and Policy & Resources Committee on 17 March 2016 Members received a Notice of Motion regarding Fair Trade and resolved:

- To support Fairtrade Fortnight 29th February to 13th March and encourage its suppliers, partners and staff to celebrate the event, which is themed "Sit down for breakfast, stand up for farmers".
- To request that Officers draw attention to the educational benefits of fair trade and raise awareness of Fairtrade Fortnight by highlighting it in the Schools Bulletin and suggesting ways in which schools might participate.
- To request the Policy & Resources Committee to maintain the Council's commitment to fair trade as part of the Minimum Buying Standards for food and catering contracts, and to look for opportunities to increase its commitment to buying fair trade as much as current budget constraints allow.

This report provides the committee with further information and updates in support of the Council's resolution.

1.2 Minimum Buying Standards (MBS) for food and catering contracts have been developed to deliver the Corporate Procurement Strategy aim 'to ensure value for money is achieved whilst the council operates as a "responsible procurer" taking account of social, economic and environmental impacts'. This report recommends that the Policy & Resources Committee notes the Council's continued commitment to Fair Trade as part of the Minimum Buying Standards for food and catering contracts.

2. RECOMMENDATIONS:

That Policy and Resources Committee:

2.1 Notes the Council's continued commitment to Fair Trade as part of the Minimum Buying Standards for food and catering contracts (Appendix 1).

- 2.2 Notes that opportunities to increase the Council's commitment to buying Fair Trade for food and catering contracts continue to be sought and taken wherever possible within the current budgetary constraints.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Brighton & Hove City Council's Sustainability Action Plan has Equity and Local Economy as one of its driving principles, with a stated commitment to Fair Trade.
- 3.2 Fair Trade is a more sustainable way of trading internationally by offering producers in developing countries better trading conditions that can provide them with the financial security they need to plan their lives, educate their children and invest properly in their businesses. This in turn gives them greater resilience and stability, potentially improving global security and in the long term reducing the need for migration.
- 3.3 When buying products with the Fair Trade Mark the council is supporting farmers and workers in developing countries as they work to improve their lives and communities. The Mark means that the Fair Trade ingredients in the product have been produced by small-scale farmer organisations or plantations that meet Fairtrade social, economic and environmental [standards](#). The standards include protection of workers' rights and the environment, payment of the Fairtrade Minimum Price, and an additional Fair Trade Premium to invest in business or community projects
- 3.4 The Fair Trade movement focuses specifically on commodities that are typically exported from developing countries to developed countries – most notably commodities such as coffee, cocoa, sugar, tea, bananas, honey, coffee, wine, chocolate, flowers, gold and handicrafts.
- 3.5 Brighton & Hove was first awarded Fair Trade City status in 2004. It was recently renewed in 2015. Brighton & Hove's commitment to Fair Trade fits with the city's high levels of interest in ethical business.
- 3.6 Being a Fair Trade City is a continuing process of promoting and supporting the Fair Trade movement, and making considered purchasing choices to stop exploitation.

Policy Background

- 3.7 The Minimum Buying Standards for catering contracts (a target action of the Sustainability Action Plan and the Corporate Procurement strategy 2014/15) was approved at the Policy & Resources Committee on 11 July 2014. The standards require contracts over £75,000 per year to be delivered to Bronze FFL (Food for Life) Standards as a minimum and contracts under £75,000 to be delivered to equivalent standards, though certification would not be a requirement. The Standards include Fair Trade tea, coffee, bananas and cocoa products.
- 3.8 Four out of six catering contracts worth over £75,000 a year are now achieving this standard including the recently awarded Bronze to the Brighton Centre.

- 3.9 The Sustainable Procurement Policy (Appendix 2) has a stated commitment to the promotion, use of, and compliance with the Council's Minimum Food Standards in all relevant contracts.
- 3.10 The Corporate Procurement Team advise Council Catering contract managers to adopt the Minimum Food Standards when procuring food, drink and catering services and include Minimum Food Standards as quality criteria in tender documents where applicable and/or include these standards within service specifications to ultimately form part of the contractual agreement.
- 3.11 Through the adoption of the Minimum Food Standards, Brighton & Hove City Council uses its buying power and influence to drive healthy and sustainable food production and consumption, and local economic development.

What the council will do?

- 3.12 Wherever feasible, Fair Trade will be promoted by specifically evaluating and scoring tenders for this aspect as part of any future catering tenders.
- 3.13 The council will also ensure that for all current catering contracts, the high standards already set regarding Fair Trade are maintained and expanded upon wherever possible and within the confines of the current terms of these contracts.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 If the Council's commitment to Fair Trade as part of the Minimum Buying Standards for catering contracts traded internationally is not maintained, there is the possibility it will be able to purchase similar goods for a slightly reduced cost, but it will no longer trade internationally in a sustainable way and support producers to achieve the financial security they need to plan their lives, educate their children and invest properly in their businesses. This in turn will give producers less resilience and stability, which will have a direct impact on their livelihoods and communities as well as global food security. The city's Fair Trade status would be revoked and the Council's policy towards sustainability and increasing equality would be contradicted by withdrawing the promotion of Fairly Traded products.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Fairtrade Steering Group promotes Fair Trade to businesses, buyers and consumers and is building a partnership which includes members from Brighton University (the flagship employer), local Fair Trade retailers and business owners, the Brighton and Hove Food Partnership, faith groups, schools, councillor representatives and council staff. The Council endorses the help being given to the Steering Group by the Economic Development Team in continuing to promote Fair Trade to local businesses.
- 5.2 Community consultation undertaken for the City Food Strategy 2006 and 2012 and the Sustainability Action Plan 2013 demonstrated that local people expect public organisations and the council in particular, to have healthy, ethical, and environmentally responsible food procurement policies and practices.

6. CONCLUSION

- 6.1 Continuing to adopt / maintain the Council's commitment to Fair Trade as part of the Minimum Buying Standards for catering contracts will deliver the Corporate Procurement Strategy aim of ensuring that value for money is achieved whilst the council operates as a "responsible procurer", taking account of social, economic and environmental impacts.
- 6.2 By seeking and taking opportunities to increase its commitment to buying Fair Trade for food and catering contracts, wherever possible within the current budgetary constraints, the Council will contribute to a healthier and more sustainable food system, and provide healthier food for residents, workers and visitors to the city.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The Minimum Buying Standards for food and catering contracts will be adopted as part of the Corporate Procurement Strategy which includes an expectation to deliver value for money in all procurement exercises. Contracts will be awarded through the Council's Contract Standing Orders and will be based on the continued delivery of value for money; price will be a major factor in the awarding of contracts. Food and catering contracts will be met from existing revenue budgets and will seek to deliver efficiencies in regard to price and quality.

Finance Officer Consulted: Rob Allen

Date: 10/03/15

Legal Implications:

- 7.2 The Public Services (Social Value) Act 2012 places a requirement on contracting authorities to consider the economic, social and environmental benefits of their approaches to procurement before the process starts. Although this Act applies to higher value contracts governed by the Public Contracts Regulations 2015, the overall ethos of considering these benefits is encouraged by the Government as part of good practice, and in conjunction with the duty to provide best value. The approach taken by the Council for Minimum Buying Standards for food and catering contracts therefore supports this good practice approach.

Lawyer Consulted: Elizabeth Culbert

Date: 10/03/16

Equalities Implications:

- 7.3 The city council's Fair Trade status will remain and the Council's policy towards sustainability and increasing equality will be upheld by continuing the promotion of Fairly Traded products.
- 7.4 An equality impact assessment has not been undertaken on these recommendations. The Minimum Buying Standards for catering contracts require contracts over £75,000 per year are to be delivered to Bronze FFL (Food for Life) Standards as a minimum; and contracts under £75,000 to be delivered to

equivalent standards. The Standards include Fair Trade tea, coffee, bananas and cocoa products and nutritional standards and upholds any national standards for community and school meals. FFL Catering Mark requires investment, training and upskilling of school meals staff, many of whom are on minimum wage.

Sustainability Implications:

- 7.5 The council will continue to trade internationally in a sustainable way and give producers in developing countries the financial security they need to improve their lives and communities.

Any Other Significant Implications:

- 7.6 These are listed in appendix 1.

SUPPORTING DOCUMENTATION

Appendices:

1. Other implications
2. Minimum Buying Standards for Catering Contracts
2. Sustainable Procurement Policy

Documents in Members' Rooms

1. None

Background Documents

1. [Corporate Procurement Strategy 2014-2017](#)
2. [The Council's Sustainability Action Plan](#)

Risk and Opportunity Management Implications:

- 1.2 There is a reputational risk if the Council does not continue to adopt/maintain the Council's commitment to Fair Trade as a part of the Minimum Buying Standards for food and catering contracts as related standards and policy objectives will not be upheld and the city council's Fair Trade status will be revoked.

Public Health Implications:

- 1.3 Recommendations are intended to contribute to delivering Health & Wellbeing Strategy objectives: to ensure healthy standard of living for all; to create and develop healthy and sustainable places and communities; and to strengthen the role and impact of ill health prevention.

Corporate / Citywide Implications:

- 1.4 Continuing to adopt/maintain the Council's commitment to Fair Trade as a part of the Minimum Buying Standards for food and catering contracts contributes to the wider objective of delivering a healthy sustainable food system which is the overarching aim that the Minimum Buying Standards is progressing towards.