



Leicester  
City Council

**WARDS AFFECTED**  
**All**

**FORWARD TIMETABLE OF CONSULTATION AND MEETINGS:**  
**Overview & Scrutiny Management Board**  
**Cabinet**

**6<sup>th</sup> August 2008**  
**1<sup>st</sup> September 2008**

---

**Fairtrade Pledge and Manifesto**

---

**Report of the Director of Regeneration and Culture**

**1. Purpose of Report**

- 1.1 The purpose of this report is to inform members about the manifesto of the Leicester advocating Fairtrade (LaFT) group (Appendix 4) and to gain member approval to a Fairtrade Pledge (Appendix 1) which sets out how the Council can demonstrate its commitment to the manifesto.

**2. Summary**

- 2.1 Leicester was one of the first cities to gain Fairtrade status in 2002. Now, as part of One Leicester's priority, 'Talking up Leicester', we have the opportunity to utilise the city's Fairtrade status to promote Leicester, our achievements and ambitions for the future.
- 2.2 Retaining Fairtrade city status requires commitment to continuing action. The LaFT group, (of which the City Council is a member), has drawn up a manifesto (Appendix 4) of action for Leicester to achieve over the next five years. The manifesto will be launched in September following widespread consultation since Fairtrade Fortnight in March.
- 2.3 The manifesto has a number of actions which relate specifically to Leicester City Council. Much work has already been done in the Council to increase the use of Fairtrade products but there is still more that can be achieved. The Pledge (Appendix 1) sets out 10 tangible goals for the council to work towards within the timeframe of the manifesto.

**3. Recommendations**

Overview and Scrutiny Management Board is asked to:

- 3.1 Note and comment on the paper.

Cabinet Members are asked to:

- 3.1 Approve the Fairtrade Pledge for the Council (Appendix 1).
- 3.2 Commit to reviewing progress towards the Pledge annually.
- 3.3 Take part in the launch of the manifesto on 26<sup>th</sup> September.

#### **4. Report**

- 4.1 LaFT is the Fairtrade action group for Leicester, its work led to Leicester gaining Fairtrade City status in 2002. The group has now developed a manifesto (Appendix 4) to set clear aims and objectives for the group and the city over the next five years.
- 4.2 The overall aim of the manifesto is to increase awareness and use of Fairtrade products; it covers a whole range of areas where action will be targeted including community groups, businesses, tourism and universities.
- 4.3 Based on the LaFT manifesto a Fairtrade Pledge (Appendix 1) has been developed for the City Council. The Pledge sets out how the Council will demonstrate its commitment to Fairtrade and the way in which we will promote Fairtrade within the Council. The timeframe for achieving the goals set out in the Pledge would be in line with the manifesto, which runs for five years until 2013.
- 4.4 It is recommended that progress towards the pledge be reviewed annually by members, using a traffic light system. The current situation is presented in appendix 2.
- 4.5 We are currently performing well on action 7 to promote Fairtrade Fortnight, this has been done for a number of years. Work is also successfully being carried out on action 1, members and officers to be aware of Fairtrade, with promotional activities having been carried out previously and the pledge provides another opportunity to further raise awareness. Similar progress is also being made on action 2 for schools to incorporate Fairtrade into the curriculum, the EMAS scheme which currently covers around 60 schools is already promoting Fairtrade in schools but further work needs to be carried out with non-EMAS schools.
- 4.6 The current assessment of our progress against the pledge shows three 'amber' ratings. Action 4, catering franchises to use Fairtrade, is already being carried out in many buildings but there are some buildings and franchises that still need addressing. The second amber rating is against action 6, festivals and events to have Fairtrade element, again many festivals/events already have a Fairtrade element but this is not seen in all festivals at the moment. The third amber rating is for action 10, to promote work to other Local Authorities and towns/cities, the Pledge will be used as an opportunity to promote work the Council is undertaking and establish contacts. There is one red/amber rating which is against action 5, vending machines to stock Fairtrade products, this is a fairly new market for Fairtrade and is not something that has been addressed in the past by the Council – however, once contracts have been identified and necessary terms negotiated changes can begin to be made fairly quickly.
- 4.7 The assessment shows three actions to be at red status. Action 3, Fairtrade products in schools, would require an estimated £5,000 a year in additional funding to be able to introduce fruit juices the alternative being to pass the cost to the customer which would

risk loss of trade. The second red is against action 8, Council polo shirts (as part of a uniform) to be made from Fairtrade cotton, where again the difficulty is the cost and potentially sourcing the cotton – as an example a non-Fairtrade polo shirt from an ESPO supplier would cost £5.48, a Fairtrade organic polo shirt would cost £6.26 although this is the standard wholesale price and ESPO may be able to negotiate a reduction. The final red status is against action 9, sports balls to be Fairtrade, again this is a fairly new market for Fairtrade and costs are as a result higher than for the standard non-Fairtrade product.

4.8 The main difficulties in achieving all the actions contained in the pledge are:

- Most Fairtrade products incur an additional price, this has come down for products such as tea/coffee that have now been available for a number of years but is much higher on new product ranges such as cotton. Over the next 5 years it would be anticipated that the differential between Fairtrade and non-Fairtrade products will decrease but Fairtrade is likely to continue to cost slightly more than the non-Fairtrade product.
- There is some difficulty with supply, especially in the newer product ranges such as cotton and sports balls and with bananas due to the quantity required. Again this would be expected to improve over the next five years as more producers become Fairtrade accredited and respond to demand.

Despite these difficulties we anticipate that all 10 points of the pledge can be achieved within the five year timeframe set by the Fairtrade manifesto.

4.9 The Pledge will be used as a promotional tool to raise understanding of Fairtrade amongst officers and elected members. For example it could be displayed in poster format in Council buildings.

4.10 The LaFT group is planning to launch the manifesto on the 26<sup>th</sup> September; representatives from groups across the city have been invited to attend the launch and to commit themselves or their organisation/group to Fairtrade. It is proposed that the City Council show its commitment to the Fairtrade manifesto by launching the Pledge at this event.

## **5. FINANCIAL, LEGAL AND OTHER IMPLICATIONS**

### **5.1 Financial Implications**

5.1.1 The financial implications of the pledge, at current prices, are listed in appendix 3. Most Fairtrade products incur an additional price, this has come down for products such as tea/coffee that have now been available for a number of years but is much higher on new product ranges such as cotton. However, over the 5-years of the pledge, it would be anticipated that the differential between Fairtrade and non-Fairtrade products will decrease. For this reason, longer target times are proposed for the pledges relating to cotton and footballs to allow the market for these products to mature.

5.1.2 7 of the 10 pledges are predicted to be cost neutral, or incur staff time (principally from the Environment Team). The remaining 3 pledges are costed at today's prices as follows:

Pledge 3. Fairtrade bananas premium of £5,500 p.a.  
Fairtrade fruit juice premium of £5,000 p.a.

Pledge 8. Further work is needed with ESPO to develop a price comparison that could be rolled out across the authority. A rough example for one Council service (Parks and Open Spaces) based on catalogue prices, would equate to a premium of £807 p.a.

Pledge 9. Wholesale supply is not yet available. A rough estimate based on the premiums of other products would indicate a premium of £1.44 per ball. However, only small quantities are purchased directly by Regeneration and Culture. Further work is need to establish the quantities purchased by individual schools.

5.1.3 City Catering is already struggling financially to breakeven as a result of increasing food costs and the reduced take-up of healthy meals which are now being provided to students. As a result it is unlikely that City Catering will be able to pass on the additional annual costs for fair trade bananas and fruit juice when these are being supplied as part of the paid for school meal and would have to be funded by the R&C Department.

5.1.4 Further work needs to be done to estimate the additional costs of changing to fair trade polo shirts across the Council and whether this can be accommodated by adjusting existing budgets.

5.1.5 Agreement would need to be obtained from schools to purchase fair trade footballs. The additional costs for the Council's own Sports services are not significant and would be absorbed within existing budgets.

*Martin Judson, Head of Finance (Ext.297390)*

## **5.2 Legal Implications**

5.2.1 Under section 17 of the Local Government Act 1988, the Council is forbidden from taking into account non-commercial considerations when procuring supplies or works. Failure to comply with these provisions gives rise to a potential claim for damages from an aggrieved contractor.

5.2.2 The non-commercial considerations that may not be taken into account have been discussed with the Report's author and general advice has been given on how the Council can achieve the goals set out in the Fairtrade Pledge, while not contravening section 17. It is recommended that further legal advice is taken on specific strategies to achieve these goals (as part of a wider Sustainable Procurement Policy), as these strategies develop.

*Gregory Surtees, Senior Solicitor (Ext.296453)*

## **6. Other Implications**

OTHER IMPLICATIONS	YES/NO	Paragraph References within the report
Equal Opportunities	<b>No</b>	
Policy	<b>Yes</b>	All The commitment to purchasing Fair Trade products forms part of the Guide to Environment Friendly Purchasing.
Sustainable and Environmental	<b>Yes</b>	<b>All</b> The commitment to purchasing Fair Trade products forms part of the Guide to Environment Friendly Purchasing.
Crime and Disorder	<b>No</b>	
Human Rights Act	<b>No</b>	
Elderly/People on Low Income	<b>No</b>	

**7. Background Papers – Local Government Act 1972**

None.

**8. Consultations**

Consultation has taken place with City Catering and Festivals and Events. Further consultation will be carried out with officers across the Council.

**9. Report Author**

Helen Lansdown,  
Environment Team.  
Ext. 296770  
Email: [Helen.lansdown@leicester.gov.uk](mailto:Helen.lansdown@leicester.gov.uk)

<b>Key Decision</b>	No
<b>Reason</b>	N/A
<b>Appeared in Forward Plan</b>	N/A
<b>Executive or Council Decision</b>	Executive (Cabinet)



## Leicester City Council's Fairtrade Pledge 2008-2013

Leicester City Council is committed to Leicester as a Fairtrade City and to promoting the use and awareness of fair trade. We pledge to work towards the following goals:

1. All of our members and officers to be aware of Fairtrade and actions.
2. All of our schools to incorporate Fairtrade into the curriculum.
3. We will make use of as many Fairtrade products as possible within school catering – starting with bananas and fruit juices.
4. All catering franchises to use and promote Fairtrade products.
5. All vending machines to stock Fairtrade products.
6. All Leicester City Council supported festivals and events to have a Fairtrade element.
7. Every Fairtrade Fortnight to be actively promoted and supported by Leicester City Council.
8. All Leicester City Council staff polo shirts to be made from Fairtrade cotton.
9. All footballs used in Leicester City Council schools and leisure centres to be Fairtrade.
10. We will promote our work to other Local Authorities and Fairtrade towns and cities.

We will set out how we aim to achieve these goals in an action plan and will undertake to review progress annually.

**September 2008**

**Delivering Leicester City Council's Fairtrade Pledge  
Review of Progress September 2008**

No.	Commitment	Current position	Status	To be completed by
1	All members and officers to be aware of Fairtrade and actions	The Fairtrade Pledge will be promoted to all staff and used as an opportunity to raise awareness of Fairtrade. Members have all received FT 'goodie bags' and information and staff were invited to take part in a survey about FT with a cup of FT coffee provided as an incentive. Such work will continue and more promotional materials places in catering points	Amber/ Green	Sept 2008 and ongoing awareness raising
2	All schools to incorporate Fairtrade into the curriculum	Already being delivered by EMAS. Not all schools are part of the EMAS scheme and these schools will be targeted separately	Amber/ Green	Ongoing
3	We will make use of as many Fairtrade products as possible within school catering – starting with bananas and fruit juice	There is currently a shortage of FT bananas due to loss of crops in Jamaica (they may be back in production in September). Supply on the scale needed cannot be guaranteed at present and would cost an additional £5,500 per year Fairtrade fruit juices will cost an additional £5,000 per year but supply can be guaranteed. -funding would have to be found to support this, alternatively costs could be reflected back onto the consumer but may would risk loss of trade. Further products will be introduced over time.	Red	End 2008 for fruit juices - funding needs to be found
4	All Leicester City Council catering franchises to use and promote Fairtrade products	Most LCC outlets stock FT – those without FT are being identified and new contracts will be established	Amber	End 2008
5	All Leicester City Council vending machines to stock	No LCC machines currently stock FT products and this is a fairly new market for FT. Vending machines are generally operated on a building by building basis so will have to be looked at in turn to see what can be	Amber/ Red	End 2008

	Fairtrade products	provided or if contracts need to be changed		
6	All Leicester City Council supported festivals and events to have a Fairtrade element	Many festivals/events already have a FT element, most noticeable the Riverside festival which heavily promotes FT. Other opportunities are being explored	Amber	March 2009
7	Every Fairtrade Fortnight to be actively promoted and support by Leicester City Council	LCC has promoted FT Fortnight for a number of years working on events with the FT Leicester group as well as promotions targeted specifically at Council staff. This work will continue	Green	Ongoing
8	All Leicester City Council staff uniforms to be made from Fairtrade cotton	This is a fairly new market for FT and as a result prices are higher than for 'standard' cotton. Currently for a non-Fairtrade polo shirt from an ESPO Dealing Direct supplier each shirt would cost £5.48 buying a Fairtrade organic polo shirt would cost £6.26 although this is a standard wholesale price and ESPO may be able to negotiate a better price. Over time prices should reduce making it more affordable for LCC to source FT cotton for uniforms.	Red	By 2011
9	All footballs used in Leicester City Council schools and leisure centres to be Fairtrade	This is a fairly new market for FT and as a result prices are high. They are also not currently available for purchase wholesale which increases the price – these issues are likely to resolve themselves overtime as supply increases and we will work with ESPO to try and source a suitable supplier.	Red	End 2012
10	We will promote our work to other local Authorities and Fairtrade towns and cities	The Pledge will be used as an opportunity to promote to other Local Authorities and Fairtrade towns and cities activities being undertaken in Leicester.	Amber	Launch in September 2008 and ongoing



<b>Pledge</b>	<b>Cost at 2008 prices</b>
All members and officers to be aware of Fairtrade and actions	Officer time
All schools to incorporate Fairtrade into the curriculum	Officer time
We will make use of as many Fairtrade products as possible within school catering – starting with bananas and fruit juices	Fairtrade bananas premium of £5,500 per annum Fairtrade fruit juice alternative, premium of £5,000 per annum
All Leicester City Council catering franchises to use and promote Fairtrade products	Cost neutral as cost passed onto consumer
All Leicester City Council vending machines to stock Fairtrade products	Cost neutral as cost passed onto consumer
All Leicester City Council supported festivals and events to have a Fairtrade element	Cost neutral as cost passed onto consumer
Every Fairtrade Fortnight to be actively promoted and support by Leicester City Council	Officer time
All Leicester City Council staff polo shirts to be made from Fairtrade cotton	Non-Fairtrade polo shirt from an ESPO supplier £5.48 per shirt. Fairtrade organic polo shirt £6.26 per shirt but ESPO may be able to negotiate lower price. For example, for “Parks and Green spaces” this would cost an additional £807.30 per annum (based on 207 members of staff each receiving 5 shirts p.a.)
All footballs used in Leicester City Council schools and leisure centres to be Fairtrade	Wholesale supply currently not available as relatively new market but assuming prices reduce to the same differential as other products can extrapolate if a non-Fairtrade football is £4.80, a Fairtrade football would be £6.24. However, only a small number of footballs are bought directly by Regen and Culture (clubs supply their own)
We will promote our work to other Local Authorities and Fairtrade towns and cities	Officer time

## **Summary of Leicester Advocating Fairtrade Five Year Manifesto**

Leicester advocating Fairtrade (LaFT) is the Fairtrade action group for Leicester working to increase awareness and therefore use of Fairtrade products across as wide a group as possible of organisations and individuals in the city to ensure that not only does Leicester retain its Fairtrade City status but also that it is seen as an ethical leader.

### **LaFT's aims for the next five years:**

To develop Leicester's status as a Fairtrade City to:

- Lead the UK in local activities to raise awareness of and promote Fairtrade, including a leading role for Leicester City Council;
- Increase the use and purchase of all Fairtrade goods across the city by individuals and organisations;
- To develop city-wide awareness of and involvement in the issues;
- To develop cross-city initiatives that involve people of all backgrounds, cultures, faiths and ages in activities to do with Fairtrade;
- To increase the number of shops and cafes selling and serving Fairtrade goods;
- To increase the number of businesses offering staff Fairtrade options, including recruiting key 'Fairtrade champion' businesses;
- To work with schools and young people to include Fairtrade issues within learning across the curriculum;
- To work with the city's colleges and universities to support them to become Fairtrade campuses and take a central role in Fairtrade City activities and initiatives.

### **Specific areas for action:**

**Shops and cafes.** Increase the number of shops and cafes offering Fairtrade options by 10% each year – this will include an initial baseline survey of the situation in Leicester, the current estimate is that 65 cafes and shops offer Fairtrade products. An updated guide on where to buy Fairtrade in Leicester will also be produced alongside a regularly updated website.

**Schools.** By 2013 50% of Leicester City schools will be actively supporting Fairtrade such as by teaching Fairtrade as part of the curriculum and holding awareness raising activities.

**Colleges.** Following the example of Leicester College, LaFT will work with the other city colleges to encourage and support them in actively promoting, stocking and serving Fairtrade products.

**Universities.** LaFT will work with both city universities to support them in becoming Fairtrade Universities – both campuses are already pursuing this aim.

**Entertainment venues.** Entertainment and leisure venues in the city will be encouraged to offer Fairtrade food and drinks and where appropriate make use of Fairtrade sports balls.

**Festivals and events.** All city festivals and events will be encouraged to make use of Fairtrade products.

**Fairtrade communities and streets.** LaFT will develop at least five Fairtrade communities and streets all of which will work at the most local level to show their commitment and raise awareness of Fairtrade. These groups could include faith groups, groups of employees or people living in a specific area.

**MPs and politicians.** LaFT will ensure that all Leicester's political figures are aware of Fairtrade and local Fairtrade activities.

**Businesses.** Working with businesses champions LaFT will deliver at least three business champions each year including a range of different sized organisations and representing different sectors. These businesses will serve Fairtrade to their staff and will be willing to promote Fairtrade to local businesses.

**Tourism.** LaFT will work with Leicestershire Promotions to ensure that the status of Leicester as a Fairtrade City is used to promote the city.

**Next steps:**

The manifesto will be launched at Leicester College on the 26<sup>th</sup> September 2008. The manifesto is a living document and will continue to be updated with new ideas, inputs and challenges.



## What is Fairtrade?

Fairtrade is about better prices, decent working conditions, local sustainability, and fair terms of trade for farmers and workers in the developing world. By requiring companies to pay sustainable prices (which must never fall lower than the market price), Fairtrade addresses the injustices of conventional trade, which traditionally discriminates against the poorest, weakest producers. It enables them to improve their position and have more control over their lives.

Fairtrade standards comprise both minimum social, economic and environmental requirements, which producers must meet to be certified, plus progress requirements that encourage continuous improvement to develop farmers' organisations or the situation of estate workers.

Fairtrade Labelling was created in the Netherlands in the late 1980s. The Max Havelaar Foundation launched the first Fairtrade consumer guarantee label in 1988 on coffee sourced from Mexico. In the UK, the Fairtrade Foundation was established in 1992, with the first products to carry the FAIRTRADE Mark launched in 1994.

The Fairtrade Foundation has licensed over 3,000 Fairtrade certified products for sale through retail and catering outlets in the UK. The UK is one of the world's leading Fairtrade markets, with more products and more awareness of Fairtrade than anywhere else. Around 20% of roast and ground coffee, and 20% of bananas sold in the UK are now Fairtrade.

The range of Fairtrade products currently includes bananas; cocoa; coffee; dried fruit; fresh fruit and vegetables; honey; fruit juices; nuts; quinoa; rice; spices; sugar; tea; wine and non-food products including cotton; flowers; plants and sports balls.

As well as being guaranteed a minimum price for their produce, producers also receive a Fairtrade Premium. The Premium is money paid on top of the minimum price that is invested in social, environmental and economic developmental projects, decided upon democratically by a committee of producers within the organisation or workers on a plantation.