

DERBYSHIRE COUNTY COUNCIL

MEETING WITH CABINET MEMBER, HEALTH AND COMMUNITIES

15 June 2015

Report of the Strategic Director, Health and Communities

RESULTS OF DERBYSHIRE TRUSTED TRADER MEMBERSHIP SURVEY

1 Purpose of the report:

To inform the Cabinet Member, Health and Communities of a recent survey of members of the Trusted Trader Scheme.

2 Information and analysis:

- 2.1 The Derbyshire Trusted Trader Scheme was set up in November 2008 to provide local people access to local, reliable traders that are committed to providing a good service for a fair price. One of the objectives of the scheme was to enable older residents to live independently for longer in their own homes by identifying traders that could be trusted and thus marginalising the minority of rogue businesses. The Scheme also had the added bonus in that it provided support to local businesses and marginalised the minority of rogue traders that seek to take advantage of local householders – particularly those that are vulnerable.
- 2.2 Whilst the intention when setting up the Scheme was to protect local consumers and support businesses, the fee structure was not set at a cost recovery rate as we did not want this to be a barrier to join the Scheme. Due to the reduction in funding for local authorities, it has been necessary to review the amount we charge and to seek to recover more of the costs from Trusted Trader Members. In May 2014, The Cabinet Member meeting agreed to rationalise the fee structure and to increase the membership fee from September 2015 to £70 for businesses operated by a sole proprietor and social enterprises and to £100 for limited companies, partnerships and larger businesses

Benefits of membership

- 2.3 As well as the relatively low cost, there are lots of other benefits for Derbyshire Trusted Traders, including:
- Use of the Derbyshire Trusted Trader branding – which is instantly recognisable within the county and includes window and van stickers
 - A dedicated Trusted Trader page on the Derbyshire County Council website to promote their business and showcase customer feedback
 - Promotion via DCC publications and PR team
 - Advice on consumer protection law – 2 hours free per year.
 - A Members' newsletter issued electronically two or three times a year

- Support in any customer disputes – trading standards staff will get involved and try to find a mutually acceptable solution.

2.4 Current membership of the scheme stands at 1,294 and there are a good spread of members in the most frequently searched trade sectors; which are those that provide home maintenance services. This is key to the success of the scheme since it is in these areas that “rogue traders” tend to operate.

Table 1 Membership levels by trade type

Trade type	Number
Plumber	191
Builders	179
Electricians	143
Joiners	132
Painters/Decorators	120
Gas Fitters and Servicing	98
Plasterers	97
Garden Maintenance	94
Handyman	46
Roof Repair	34
Aerials/Aerial Fitters	20

Feedback from a survey of Derbyshire Trusted Trader members

2.5 We conduct an annual survey of members of the scheme and seek to respond positively to suggestions and address problems raised by scheme members. 471 of the businesses responded and some of the key points from the most recent survey were:

- 83% of respondents believe that membership of the Scheme has had a beneficial effect on their business. This is slightly above the average of 79% over the past 5 years that we have been operating the scheme.
- They report that Trusted Trader has increased their customer numbers by an average of 18% - the highest stated that it had increased turnover by 70%.
- We asked what Members felt was the major benefit from the Scheme and a summary of the key characteristics identified were as follows
 - Reputation: 54%
 - Business: 30%
 - Customer Feedback: 13%
 - Advertising 3%
- 90% of Members felt that membership gave their customers more confidence about using them which is consistent with previous surveys. 1% said no and 9% said that they weren't sure which may reflect that they were new to the scheme.
- The combined annual turnover of members of Trusted Trader is estimated as £367 million (the average per member is £283,000).
- Members save an average of £484 on advertising because of the boost that Trusted Trader gives them.

- Perhaps not surprisingly, 87% of respondents felt that Membership of the Scheme represented good value for money.

A full summary of the survey is available as an appendix to this report and the results are online at

http://www.derbyshire.gov.uk/community/trusted_trader/trusted_trader_members/default.asp

2.6 Individual comments from scheme members have also been overwhelmingly positive. A few of typical comments are highlighted below and *more comments are available on the Derbyshire County Council website via the link above.*

- *It's helped my business progress as people see it as someone they can trust and if there is a problem after the work is completed, then they know that the company will go back and rectify the problem.*
- *The scheme has exceeded my expectations since I've been a member, to the point where I have dropped all my other forms of advertising that cost me so much per month. All my jobs now come from recommendation, trusted trader and free advertising on the internet.*
- *Most of my business comes from the scheme.*
- *People seem to trust the registration, especially the elderly*
- *Get most of my work from trusted trader best money spent got loads of great feed-back which is pushing my business forward*
- *Since becoming a well-established trusted trader, we get a substantial amount of work from the scheme, and get to meet some good customers who feel confident in us before we actually meet them*
- *My business wouldn't be as busy. Now the scheme is established and the Derbyshire community know what it is. I've been inundated with calls from customers.*

3 Other considerations:

In preparing this report the relevance of the following factors has been considered; financial, legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

4 Background papers:

CabCo Report: Derbyshire Trusted Trader Fees and the Results of a Recent Survey of Members – 27 May 2014

5 Key Decision:

No

6 Call-in:

Is it required that call-in be waived for any decision on this report?

No

7 Officer's recommendation:

That the Cabinet Member, Health and Communities, notes the positive feedback from a recent survey of members of the Derbyshire Trusted Trader Scheme.

**David Lowe
Strategic Director
Health and Communities**

Appendix - Trusted Trader Members' Survey Trends 2010 to 2015

Question 1 - overall, has membership of Derbyshire Trusted Trader had a beneficial effect on your business?

	2015	2014	2013	2012	2010	Average
Yes	83%	87%	75%	78%	72%	79%
No	3%	3%	6%	7%	10%	6%
Not Sure	13%	10%	19%	15%	18%	15%

Question 2 (New for 2015) – What would you say was the major benefit you've received from being a Trusted Trader?

Key words used by Trusted Trader in their answer	Percentage of respondents using	Number of respondents using
Trusted	26.8%	86
Confidence	12.2%	39
Business	9.0%	29
Feedback	8.1%	26
New Customers	6.2%	20
Reviews	5.6%	18
Enquiries	5.6%	18
Peace of Mind	5.3%	17
Knowing	5.0%	16
Job	4.7%	15
Local	3.7%	12
Reputable	3.7%	12

Question 3 (new for 2015) – What is your current turnover?

Highest: £8 million

Lowest: £1000

Average of those that responded: £283,000

Question 4 (new for 2015) – What is your percentage increase in customers as a result of Trusted Trader membership?

Highest: 70%

Lowest: 0%

Average of those that responded: 18%

Question 5 (new for 2015) – How much did you save a year on reduced advertising costs?

Highest: £6,000

Lowest: £0

Average of those that responded: £484

Question 6 (new for 2015) – How has your business grown as a result of Trusted Trader membership?

Key words used by Trusted Trader in their answer	Percentage of respondents using	Number of respondents using
Trusted Trader	24.6%	43
Business	21.1%	37
Grown	12.0%	21
Increased	11.4%	20
Scheme	8.6%	15
Year on Year	6.9%	12
Feedback	5.1%	9
Advertising	5.1%	9
Calls	4.6%	8
Enquiries	4.0%	7

Question 7 - Are you happy that the branding you use as a Trusted Trader gives your customers more confidence about using you?

	2015	2014	2013	2012	2010	Average
Yes	90%	96%	94%	91%	91%	92%
No	1%	1%	1%	1%	2%	1%
Not Sure	9%	4%	5%	9%	7%	7%

Question 8 - Do you believe that being a Trusted Trader member gives you an advantage over competitors who are not members?

	2015	2014	2013	2012	2010	Average
Yes	80%	84%	81%	73%	67%	77%
No	6%	5%	4%	6%	3%	5%
Not Sure	13%	12%	16%	21%	24%	17%

Question 9 (new for 2015) - Do you believe that Trusted Trader membership represents good value?

	2015
Yes	87%
No	3%
Not Sure	10%

Question 10 - Do you think that publishing feedback on the website has improved the Trusted Trader Scheme?

	2015	2014	2013	Average
Yes	84%	87%	81%	84%
No	1%	1%	3%	2%
Not sure	15%	12%	16%	14%

Question 11 (new for 2015) - Do you tell your customers that they can give feedback online?

	2015
Yes	59%
No	12%
Will in future	29%

Question 12 (new for 2015) – We keep feedback comments on the website for 2 year, is that long enough for your business?

	2015
Yes	56%
No	27%
Not Sure	17%

Question 13 (new for 2015) – Have you used the Source Derbyshire website to bid for council contracts?

	2015
Yes	7%
No	53%
Not aware of site	40%