

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**10 January 2012**

**Joint report of the Strategic Director Cultural and Community Services  
and the Strategic Director Adult Care**

**DERBYSHIRE TRUSTED TRADER SCHEME**

**1 Purpose of Report**

- 1.1 To seek Cabinet approval to vire £71,000 from the Adult Care Department revenue budget to the Cultural and Community Services Trading Standards revenue budget to provide funding towards the Trusted Trader Scheme. To note a Memorandum of Understanding between Adult Care and Cultural and Community Services which sets out aims and objectives for the Scheme and which will be reviewed annually. To note the proposed establishment of the post of Trading Standards Officer / Trusted Trader Officer (Grade 11) which is consistent with a separate report on the proposed organisational review of Trading Standards.

**2 Information and Analysis**

- 2.1 In July 2007 Cabinet approved the setting up of an approved trader scheme and the Derbyshire Trusted Trader Scheme was launched in November 2008. The rationale behind the scheme was to counter the minority of rogue traders that arrive, without appointment, in an attempt to pressurise older and vulnerable people to buy goods and services 'on the doorstep'. The rogue trader will typically exaggerate the need for the goods or service; make misleading claims about the product; charge excessive prices; and engage in high pressure selling tactics to secure a sale. Since the scheme was launched it has grown from strength to strength and now has over 1000 members.
- 2.2 The proposal to set up a Derbyshire Trusted Trader Scheme was a joint initiative between Adult Care, Community Safety and Trading Standards. The scheme was seen as a key part of supporting older people to live independently in their own homes for longer and to provide local residents with a trusted alternative to the unsolicited call on the doorstep. As such it supported the Council's strategic objectives of supporting vulnerable people to live independently; to reduce crime and the fear of crime; to improve life for local people; and to encourage economic growth and prosperity.

- 2.3 The post of Trusted Trader Development Officer was established within Adult Care but worked within the Trading Standards Division. The post-holder was responsible for setting up and operating the scheme but choose to retire and left the Council on 31<sup>st</sup> March 2011 when his fixed-term contract came to an end. The Trusted Trader Development Officer played a key role in setting up the scheme and designing the application and vetting processes that are operated by the Trading Standards Division.
- 2.4 As well as promoting the scheme to local businesses the role of the Trusted Trader Development Officer was to raise awareness of the scheme with target groups. 50+ Forums and other stakeholder groups have been addressed and local newspapers, business communications, community magazines and radio stations have featured Trusted Trader at regular intervals prompted by press releases issued by Public Relations Division. The development of modest but effective merchandising has supported community-based promotions, and there is strong anecdotal evidence that the wider use of the scheme's logo by members has raised awareness both in the community and in trade sectors.
- 2.5 A significant aspect of the scheme was to establish a robust Code of Conduct and applications process to ensure that only those local traders that were committed to providing a reliable service at a reasonable price and who were prepared to address issues when things go wrong were approved. Members of the scheme are required to seek customer feedback via prepaid post cards which are returnable to the Trading Standards Team.
- 2.6 Feedback both from local residents who have made use of the scheme and from trade members remains positive. Customer feedback from over 11,000 returned feedback cards is as follows:
- 92% say they received “very good” customer service.
  - 91% say the quality of the work carried out was “very good”
  - 99% say they were charged a fair price.
  - 99% would use the Trusted Trader service again, and
  - 98% say that the service has given them more confidence about finding a trader they can trust.
- 2.7 Feedback from Trusted Traders themselves is similarly positive. In surveys carried out by Call Derbyshire:
- 62% thought that membership of Trusted Trader had a beneficial effect on their business.
  - 57% thought that their membership had generated more business.

- 88% thought that the Trusted Trader branding gave their customers more confidence about using them, and
- 75% believed that being a Trusted Trader gave them an advantage over competitors who were not members.

- 2.8 The initial funding for setting up of the scheme totalled £67,500 and was made up from contributions from Adult Care (£37,500), Trading Standards (£15,000) and Community Safety (£15,000). The bulk of the initial set up costs were the recruitment of the Development Officer (in April 2008 on an 18 month fixed-term contract) and promotion and publicity costs. In September 2009 Cabinet agreed to an 18 month extension to this post which was funded by a Trading Standards underspend bid of £50,000 together with £10,000 from Adult Care and £5,000 from Community Safety. Since the post holder retired in March 2011, the Trusted Trader role has been maintained by a Senior Trading Standards Officer (grade 11) within the Trading Standards Team.
- 2.9 As well as the Trusted Trader Development Officer who provides a central point of contact for the scheme, a number of other trading standards staff are involved in the day to day running of the scheme. All applications are vetted and a range of enquiries made to see whether the business is *bona fide*. The applicants' complaint histories; the existence of any outstanding County Court Judgements; and their claimed membership of trade associations are all checked.
- 2.10 All complaints about Trusted Trader members are monitored and, actively pursued through contact with the consumer and trader. This is essential to maintain the high level of public confidence in the scheme. Customer Feedback forms are also monitored – it is a requirement of the scheme that members provide customers with the feedback forms. Trading Standards managers also consider appeals from members who have been refused membership and consider revocations of membership when a trader has breached scheme requirements. Although the proportion of complaints compared to the total number of transactions is small, they can be time consuming. Since the scheme started there have been some 550 complaints against 240 members. 276 have left the scheme because they chose not to renew their membership, had ceased trading, were asked to leave the scheme or whose membership renewal was refused. The total staff input into running and maintaining the scheme – including administrative support - is estimated to be seven full time equivalents at an annual cost to the department of approximately £200,000.
- 2.11 When the scheme was set up the membership fee was deliberately set at below cost price. This was to attract as many local businesses as possible onto the scheme. Given the economic recession, the Derbyshire Trusted Trader Scheme was also seen as a way of

supporting local small and medium sized business and feedback from trade members supports this view. The annual membership fees (including VAT) are as follows:

- Sole traders and social enterprises: £38
- Partnerships and limited companies: £54

A renewal charge is also levied which provides existing members a reduced annual fee as follows:

- Sole traders and social enterprises: £32
- Partnerships and limited companies: £48

The total estimated annual income based on current membership of some 1,000 traders is approximately £40,000. It is intended that this fee income will be utilised to contribute to the cost of running the scheme.

- 2.12 Several corporate Public Relations initiatives have supported and grown the scheme by promoting free membership to new and existing trade members. Currently, between the beginning of October and the end of December 2011 all new successful applicants will be given twelve month's free membership. Existing members are being given an additional six months membership before they need to seek renewal and pay their annual membership fee.
- 2.13 Since the retirement of the Trusted Trader Development Officer in March 2011, Trading Standards staff have balanced the Trusted Trader roles with existing duties. This is proving to be a challenge and additional funding has been sought from Adult Care. Given the significant support that the scheme provides to local residents enabling them to continue to live independently for longer, Adult Care have identified a budget of £71,000 to continue to sustain the scheme. A Memorandum of Understanding between Adult Care and Cultural and Community Services has been agreed. This agreement, which is included as an appendix, sets clear aims and objectives to support the Council Plan commitment to extend the Trusted Trader Scheme, and will be reviewed annually.
- 2.14 Cabinet approval is sought to the virement of £71,000 from Adult Care to Cultural and Community Services, Trading Standards Division to support the Trusted Trader Scheme. It is proposed that a Grade 11 post be established within the Trading Standards Division with the designation 'Trading Standards Officer /Trusted Trader Officer (Grade 11). This designation is in line with proposed new officer designations as recommended by HR Division. This post would provide the service with a degree of flexibility should the need arise to move operational staff within teams. Appointment to the post would be via an internal

recruitment process to ensure equality of opportunity. As well as a designated Officer to support the Trusted Trader Scheme, the virement will also contribute to administration and other costs associated with sustaining the scheme.

**3 Financial Considerations:**

As outlined in the body of the report.

**4 Equal Opportunities Considerations:**

The Trusted Trader Scheme is intended to support all local residents who are seeking a local reliable service, but in particular it supports older people and housebound disabled people who are often targeted in their own homes by rogue traders.

**5 Human Resources Considerations:**

The grading of the proposed post of Trading Standards Officer / Trusted Trader Officer (Grade 11) is consistent with other similar graded posts within the Trading Standards Division and will be reported as part of proposed recommendations to Cabinet on the organisational review of Trading Standards. The post will, initially, be advertised internally to existing members of the Trading Standards Division to mitigate overall staffing reductions.

**6 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.

**7 Background Papers:**

Cabinet report: Derbyshire Trusted Trader Register, 17 July 2007

**8 Key Decision:**

No

**9 Call-in:**

Is it required that call-in be waived for any decision on this report? No

**10 Strategic Directors' Recommendations:**

That Cabinet agrees:

- i) The virement of £71,000 funding from the Adult Care Department revenue budget to the Cultural and Community Services Department Trading Standards revenue budget to provide funding towards the Trusted Trader Scheme.
- ii) To note a Memorandum of Understanding between Adult Care and Cultural and Community Services which sets out aims and objectives for the scheme and which will be reviewed annually.
- iii) To note the proposed establishment of the post of Trading Standards Officer / Trusted Trader Officer (Grade 11) which is consistent with a separate report on the proposed organisational review of Trading Standards.

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**Strategic Director**  
**Cultural and Community Services**

**Bill Robertson**  
**Strategic Director**  
**Adult Care**

**ADULT CARE**

**And**

**CULTURAL AND COMMUNITY SERVICES DEPARTMENT**

**Trusted Trader Scheme**

**Memorandum of Understanding**

1<sup>st</sup> April 2011

**Agreed Purpose**

The Trusted Trader Scheme (TTS) for the geographical area of Derbyshire covered by the County Council, aims to provide consumers with easy access to a register of assured traders who are committed to dealing fairly and honestly with their customers, providing a good service at a fair price.

Traders that commit to good trading practices should be encouraged and recognised. Derbyshire residents should have confidence when selecting a trader that they will be dealt with fairly. This is consistent with the County Council's strategic objectives of supporting vulnerable people to live independently; to reduce crime and the fear of crime; to improve life for local people; and to encourage economic growth and prosperity.

Although the scheme is for the benefit of everyone living in Derbyshire, it is particularly helpful for more vulnerable people, including older adults and disabled people, who are more at risk from rogue traders, door step crime and distraction burglaries. It supports the aspiration of the majority of vulnerable people to live independently and safely in their own homes for as long as they wish to do so. From a business perspective, the scheme supports reliable traders and encourages improved practice in fair trading.

**Agreed Aims**

1. To increase consumer confidence when buying goods and services in Derbyshire.
2. To reduce the need for higher-level social care support for older and vulnerable people through early intervention in helping people to continue to live independently in their own homes.
3. To contribute to a reduction in serious acquisitive crime.
4. To promote fair trading and allow good businesses to prosper.

**Agreed Objectives**

In recognition of the financial support from Adult Care (detailed below), a set of objectives will be agreed annually.

**Objectives for 2011/12**

1. To identify and target businesses providing laundry services to join the TTS.
2. To identify and target businesses providing pre-prepared meals, with delivery service to join the TTS.
3. To identify and target those businesses providing computer repair services in the home to join the TTS.
4. To plan and implement a consultation exercise with representatives of vulnerable groups to consider how the TTS can best continue to support people to live independently.

### **In-kind and Financial Arrangements for 2011/12**

The Trading Standards Service will contribute staff time to support and develop the scheme including:

- Administering the application and renewal process for members
- Monitoring customer feedback on the scheme
- Promoting the scheme in conjunction with DCC's Public Relations team
- Investigating complaints about scheme members
- Dealing with refusal, suspension and revocation of membership and any appeals arising from those actions
- Maintenance of online database of members
- Liaison with Call Derbyshire
- Development work in line with agreed objectives

Adult Care will contribute financial support:

- £71,000

### **Agreed Outputs**

The above stated in-kind and financial support will be used to maintain and develop the TTS in line with the agreed aims and objectives set out above. In addition, the Trading Standards Service will seek to achieve the following outputs:

- TTS to have a minimum of 1000 traders members
- Minimum of 2000 customer feedback cards returned in 2011/12
- Satisfaction ratings are maintained or improved upon from 2010/11 levels
- To have achieved where possible several new trader members providing laundry, pre-prepared meals with delivery, and home computer repair/maintenance services.
- To have completed a consultation exercise with representatives of vulnerable groups on future areas of focus for the TTS and agreed a programme of future work to develop the TTS.

### **Review**

The presumption will be that the Trusted Trader Scheme will continue year on year, with re-current in-kind and financial support, subject to satisfactory progress towards meeting the agreed outputs. As such, this Memorandum of Understanding will be reviewed annually on or around January of each year.



In-year monitoring will be carried out by the Trusted Trader Scheme Steering Group, which will have representation from both the Trading Standards Service and Adult Care.

**Agreement**

This agreement is between the Trading Standards Division of Cultural and Communities Services and Adult Care.