

**DERBYSHIRE COUNTY COUNCIL
IMPROVEMENT AND SCRUTINY COMMITTEE – RESOURCES**

23 July 2015

**Report of the Chair of the Trusted Trader Scheme
Review Working Group**

Review of the Trusted Trader Scheme – Final Report

1. Purpose of the Report

To inform Members of the outcomes of the review of the Council's Trusted Trader scheme.

2. Information

Since the last meeting of this Committee, the review working group has met with the Assistant Chief Executive and the Communication Manager from the PR division. The information gathered at this meeting is as follows;

- A draft Communications Plan has been developed for the Trusted Trader scheme and a copy was presented to the working group along with information about the promotional work on the scheme over recent years. The latter included articles in numerous DCC publications, press releases which referred to the Trusted Trader scheme where appropriate, Social Media posts, Payslip messages promoting the scheme to DCC employees, promotion on the front page of the "Derbyshire.gov" website and adverts used in local media. The Council is producing a draft Corporate Communications and Engagement Strategy and associated priority communications and campaign plan which, although limited by budget constraints, will be a cross-cutting plan and will include some provision to support the Trusted Trader scheme over the next 12 months.
- Consideration was being given to a printed directory of Trusted Traders for people who don't use the internet, potentially funded (in part or fully) by charging a fee to the Traders.
- It was noted that one successful method which had been used in the past was to arrange an editorial in the local press which would include paid-for advertising of Trusted Traders who wanted to participate.
- It was considered useful for local DCC Members to also promote the scheme to local people in their Electoral Divisions whenever possible.

The working group would therefore include in its recommendations a request to all DCC Members that they promote Trusted Trader to their local communities wherever possible, particularly to those groups who would most benefit ie. older people's groups and vulnerable people.

A further working group meeting was held on 9 June with Derby City Council Trading Standards officers to discuss the scheme operated by that Authority. During discussions it was established that;

- the Derby City Scheme was introduced in 2012 (4 years after the DCC scheme).
- It is a "Buy with Confidence" scheme which has been adopted by a number of different authorities up and down the country.
- In Derby there are just 34 member traders in the scheme at present and this is most likely due to the joining requirements being more onerous and the membership fee higher than the DCC scheme. The current fees for the Buy with Confidence scheme are;
 - A non-refundable application fee of £100.00 including VAT for each premise.
 - Annual membership fees (dependent on the number of employees) are
 - 1 to 5 employees: £100.00 including VAT for each premise
 - 6 to 15 employees £200.00 including VAT for each premise
 - 16+ employees £300.00 including VAT for each premise.

Members will recall that the fees for membership of Derbyshire's Trusted Trader scheme are currently £50 for a sole trader and £75 for other businesses. An increase to £70 and £100 respectively is scheduled for 1 September 2015. The membership of Trusted Trader is currently around 1300 and the current resources in the Trading Standards Division could accommodate a membership of up to 1500.

Following the meeting with Derby City Council, Members noted that the Buy with Confidence scheme had been considered by Derbyshire County Council Trading Standards officers when they first embarked upon exploring the possibility of a trader scheme. However there had been concerns that the joining requirements were too onerous and the membership fee too high. There was a fear that this would put off the smaller businesses that the Council was keen to attract. It was considered that there would be a danger that Buy with Confidence would attract the larger businesses - which would simply pass on the cost to their customers.

There is an opportunity for the Derbyshire Trusted Trader scheme to grow and for more income to be generated by actively marketing it to Derby traders.

There might be potential to work with Derby City Council to explore collaborative working in respect of a Derby/Derbyshire wide scheme as this would fit well with the 'Combined Authority' Direction of Travel.

The Trusted Trader scheme has received excellent support from the Communications Team over the years it has been operating – and it is doubtless that this promotion has been integral to its success. However, Members consider that it is important that this support is continued bearing in mind;

- Fees are to be increased to close the gap between income and the cost of running the scheme. The benefits of membership of the Trusted Trader scheme need to be promoted to both current and future members, particularly as the second part of the phased fee increase (agreed by the Cabinet Member for Health and Communities) is being implemented from 1 September 2015. It is considered that a Communications Plan for the scheme is very important at this stage and would be instrumental in facilitating this fee increase without detriment to membership numbers.
- The Trading Standards Division has a budget (around £25k) available to help promote the scheme
- The scheme has been very well received and is a good example of the how the Council has supported both local consumers AND local businesses.

Additional information from the Head of Trading Standards suggests that there are opportunities to link the scheme to potential skills shortages for trades such as building, plumbing and electrical work. Consideration should be given as to how the Trusted Trader scheme could be used to attract external funding to support skills development and address any potential skills shortage in Derbyshire. The Trading Standards Division and the Council's Economic Regeneration team should liaise to investigate this further.

Consideration should also be given to other potential opportunities for the County Council to provide services and further support to Trusted Traders which would off-set the increase in membership fees. For example, enabling them to access cheaper insurance cover through a "bulk buying" programme and offering support to run apprenticeship schemes. The Head of Trading Standards should liaise with the Strategic Director of Corporate Resources in this respect.

3. Conclusions

The review working group considers that the Trusted Trader scheme is something that the Council can be truly proud of. However, there are still opportunities to develop it further with scope for further promotion through the Communications Plan; through Members advocating its use in their local communities, in partnership with District and Borough Councils (for example, distributing information leaflets to their own service users) and by Economic Regeneration colleagues actively supporting and promoting Trusted Trader to local businesses.

At its last meeting, this Committee received a progress report on the review which referred to the recent Care Act 2014 which imposes a duty on local authorities to signpost their clients to independent financial advice. The Strategic Director of Adult Care has asked whether this can be achieved through the Trusted Trader scheme. At present the membership of the scheme includes ten Financial Advisers, however, following the request from the Adult Care Department, the Trusted Trader team is currently engaged in recruiting additional financial advisers who hold qualifications which allow them to specialise in later life advice – such as pensions and care fees. The Trading Standards team has identified that five of our existing Trusted Traders hold this qualification and is shortly to engage with the wider financial advisory community to pursue this initiative further.

4. Considerations

In preparing this report the relevance of the following factors has been considered: financial, human relations, legal and human rights, prevention of crime and disorder, equality and diversity, environmental, health, property and transport considerations.

5. Recommendations

- 5.1 The Committee endorses the Trusted Trader scheme, and its continued development, and officers should be commended for their efforts in establishing a successful and well subscribed scheme;
- 5.2 The promotion of Trusted Trader be progressed as soon as practicable, via a communications plan, to help maintain or increase the present level of membership and to increase awareness and usage of the scheme amongst local consumers;
- 5.3 All Council Members be exhorted to promote Trusted Trader in their local communities;
- 5.4 The Council's frontline staff should be encouraged to promote the use of Trusted Trader to their vulnerable clients;

- 5.5 District and Borough Councils be asked to assist in promoting Trusted Trader with their own service users;
- 5.6 The Head of Trading Standards liaise with his counterpart at Derby City Council to explore potential for any collaboration between the County and City schemes;
- 5.6 The Strategic Director of Economy, Transport and Environment assist the promotion of Trusted Trader through the Economic Development team's connections with the local business community;
- 5.7 The Head of Trading Standards and the Strategic Director of Economy, Transport and Environment consider the potential for using Trusted Trader to support local skills development where there is evidence of skills shortfalls;
- 5.8 The Head of Trading Standards and the Strategic Director of Corporate Resources consider potential options for additional services and support for Trusted Trader members as outlined in the report.

Councillor Michelle Booth
Chair of the Trusted Trader Scheme Review Working Group