

REPORT TO: HOUSING, DUNDEE CONTRACT SERVICES & ENVIRONMENTAL SERVICES COMMITTEE (28TH JANUARY 2008)

REPORT ON: DUNDEE TRUSTED TRADER SCHEME

REPORT BY: HEAD OF ENVIRONMENTAL HEALTH & TRADING STANDARDS

REPORT NO: 64-2008

1.0 PURPOSE OF REPORT

1.1 This report provides an update on the operation of the Dundee 'Trusted Trader' local business partnership scheme and introduces an annual fee for membership of the scheme.

2.0 RECOMMENDATIONS

2.1 It is recommended that the committee notes the positive development of the Dundee 'Trusted Trader' scheme and agrees that membership charges be levied from April 2008

2.2 It is recommended that the committee agrees to the authorised use of the Trusted Trader scheme by other local authorities, as outlined below, subject to appropriate licensing arrangements being in place.

2.3 It is recommended that the committee introduce membership charges in line with para 4.3.2 of this report.

2.4 It is recommended that the committee agrees to the continued partnership with Referenceline Ltd in delivering Trusted Trader scheme, subject to appropriate legal agreements being in place.

3.0 FINANCIAL IMPLICATIONS

3.1 It is estimated that £10,500 income will be generated annually from which £5,000 will be paid to Referenceline Ltd. and £5,500 will be retained within EHTS for marketing and promotion in respect of the Trusted Trader scheme.

4.0 MAIN TEXT

4.1 Background

Committee reports 145-2005 and 535-2006 outlined the launch and previous update of the Dundee Trusted Trader scheme which is aimed at improving consumer confidence, community wellbeing and business standards in a number of ways:

- by reducing the availability of work for bogus or itinerant traders
- by highlighting and helping firms who deliver high quality services
- by providing a facility for word of mouth references for consumers
- by ensuring member firms abide by a code of practice

The scheme currently operates in the property maintenance and vehicle servicing sectors. These are sectors which pose particular risks of consumer detriment or community safety. Member firms undertake to abide by a Code of Practice and their work is assessed by their own customers through a questionnaire feedback system. Ratings and handwritten testimonials are on-line at www.trustedtrader.info.

4.2 **Update**

- 4.2.1 Membership of the scheme has increased from 76 to 120 businesses in the last fifteen months and this number should increase further as membership is offered in other service sectors
- 4.2.2 Dundee Trusted Trader successfully joined the Office of Fair Trading LAATSN (Local Authority Assured Trader Scheme Network) in April 2007 and is one of only two members in Scotland.
- 4.2.3 Trusted Trader is promoted as a model of good practice by the OFT and the scheme is being offered to other local authorities on that basis, for use in their own areas.
- 4.2.4 Trusted Trader outcomes continue to show increasingly positive trends.
- Customer feedback has increased on home improvement firms and garage servicing.
 - High consumer satisfaction with work done by Trusted Traders with an average rating of 9.5 out of 10.
 - Reduction in complaints about motor vehicle servicing by 20%

4.3 **Proposals**

- 4.3.1 Although there has been no charge for membership of the scheme since it was launched, in order for the scheme to be sustainable in the long term, administration costs and costs associated with local marketing and promotion now require be met by the members of the scheme.
- 4.3.2 From April 2008, it is proposed to charge members of the scheme the following rates, exclusive of VAT:
1. Business of 10 employees or less - £95 p.a.
 2. Business of 11 employees or more - £195 p.a.
- 4.3.4 Several local authorities in Scotland, and in other parts of the UK, have expressed an interest in using the scheme in their own areas. The operation of Trusted Trader over a wider area will bring benefits to consumers and businesses alike as well as reflecting well on the City of Dundee.
- 4.3.4 It is proposed to license the use of Trusted Trader to ensure that high standards of operation are maintained wherever it is operated. An initial charge of £500 will be made to cover the supply of materials, with an ongoing charge of £1 per scheme member per year to cover any costs of auditing and upkeep of procedures. Discussions are ongoing with Legal Services in respect of the preparation of licensing agreements.

5.0 **POLICY IMPLICATIONS**

This report has been screened for any policy implications in respect of Sustainability, Strategic Environmental Assessment, Anti-poverty, Equality Impact Assessment and Risk Management.

The major issues identified are:

5.1 **Anti-Poverty**

- 5.1.1 Trusted Trader makes a positive contribution to the Council's anti-poverty strategy by encouraging economic growth within the city and enabling people to meet their own needs through the provision of information and advice.

6.0 **CONSULTATIONS**

7.1 The Chief Executive
Depute Chief Executive (Support Services)
Depute Chief Executive (Finance)
Head of Finance

7.0 BACKGROUND PAPERS

7.1 Committee reports 145-2005 and 535-2006

Albert Oswald
Head of Environmental Health & Trading Standards

January 2008