
Report To:	Education & Communities Committee	Date:	06 May 2014
Report By:	Corporate Director Education, Communities & OD	Report No:	EDUCOM/49/14/MM
Contact Officer:	Martin McNab	Contact No:	714246
Subject:	Construction Licensing Executive		

1.0 PURPOSE

- 1.1 To seek approval for the Trading Standards service to promote the Construction Licensing Executive to local businesses and consumers.

2.0 SUMMARY

- 2.1 A number of local authorities in Scotland run "Trusted Trader" schemes which provide information for consumers on local businesses and trades who fulfil certain criteria. These schemes are intended to assist both the businesses and local traders by helping consumers to identify reputable traders. As well as assisting consumers and reputable traders the schemes are intended to assist in driving dishonest traders out of the marketplace.
- 2.2 Inverclyde Council took part in talks with neighbouring councils on the possibility of setting up a joint scheme in 2012. This would have reduced the costs of the scheme and ensured that there was a consistent and understandable scheme in the wider area. Unfortunately one of the proposed partners pulled out of the discussions and set up their own scheme. They then offered to "host" schemes for neighbouring councils for a substantial fee.
- 2.3 The failure to agree a joint scheme together with criticism of the inconsistencies of Trusted Trader schemes across Scotland led Inverclyde to look for different options for delivering the original aims. The Construction Licensing Executive is a national body, backed by the Scottish Government, membership of which gives many of the advantages of a Trusted Trader scheme for both businesses and consumers. Membership fees for businesses are comparable to Trusted Trader schemes but the costs to Inverclyde of promoting the scheme locally would be negligible.

3.0 RECOMMENDATION

- 3.1 That the Committee approves the promotion of the Construction Licensing Executive to businesses and consumers in Inverclyde.

4.0 BACKGROUND

- 4.1 Trusted Traders Schemes are a valuable aid to help consumers identify reputable local traders and hence are also helpful to those businesses. Discussions were held with neighbouring authorities including Renfrewshire and West Dunbartonshire in 2012 with the aim of setting up a consistent scheme in the area. Unfortunately these discussions came to nothing with one of the proposed partners setting up their own scheme and offering to “host” others.
- 4.2 Whilst this was considered as an option two factors lead Inverclyde to favour an alternative solution. Firstly the cost of the hosted scheme was considered to be too high and secondly the “Protecting Consumers” report by Audit Scotland was critical of the schemes as it considered that there was too much variation in the way Councils operating such schemes validated traders’ trustworthiness.
- 4.3 Taking the above into account however it was clear that the need for some way for consumers to identify reputable traders remains. The Construction Licensing Executive (CLE) was identified as a possible means for reputable local traders to be promoted to consumers. The CLE is a national not-for-profit body backed by the Scottish Government which aims to protect consumers from rogue traders by running a licensing scheme.
- 4.4 CLE currently has almost 2000 licensed traders in Scotland. Members of the scheme must have sound finances, have relevant insurance and adhere to a code of practice for providing quality service. Parts of the scheme including an independent complaints service and warranty scheme are delivered for CLE by the relevant trade association.
- 4.5 Penetration of the CLE is not currently high amongst Inverclyde Traders. In order to improve this, Trading Standards has written to all the relevant local traders advising them of the benefits of the scheme and the possibility of promotion of the scheme to consumers in Inverclyde. If Committee approves the promotion of the scheme further engagement will take place with traders in advance of a public launch to ensure no reputable trader who could potentially join the scheme is disadvantaged. Membership of the scheme is comparable in cost to neighbouring Trusted Trader Schemes.
- 4.6 Once a launch date for promotion of the scheme has been identified further a communications strategy will be agreed with Corporate Communications to ensure no businesses or consumers are disadvantaged. Effective promotion of the CLE will form a key plank in the Council’s strategy to deal with rogue traders including doorstep and cold callers.

5.0 PROPOSALS

- 5.1 That Inverclyde Council endorses and promotes the CLE to businesses and consumers in Inverclyde.

6.0 CONSULTATIONS

- 6.1 Regeneration and Planning have been consulted to discuss the economic development aspects of the scheme and its possible promotion to businesses including through Business Gateway.

7.0 IMPLICATIONS

7.1 Financial Implications

The costs of promoting the scheme in Inverclyde will be contained in service budgets. As this is a national scheme there will be no costs to Inverclyde in setting up or maintaining the scheme.

7.2 Legal Implications

None

7.3 Human Resources Implications

None

7.4 Equalities Implications

None

7.5 Repopulation Implications

None

8.0 LIST OF BACKGROUND PAPERS

8.1 Protecting Consumers – Audit Scotland 2013