



Trading Standards Joint Advisory Board

Monday, 7 December 2009 at 7.30 pm

Council Chamber, Brent Town Hall, Forty Lane, Wembley,
HA9 9HD

Membership:

Members Councillors:	Representing	first alternates Councillors:	Second alternates Councillors:
Baker	LB Brent	Detre	HB Patel
Hashmi	LB Brent	Brown	CJ Patel
Jones	LB Brent	Ahmed	Arnold
Ferry	LB Harrow	Idaikkadar	
Hall	LB Harrow	Mithani	
Weiss	LB Harrow	Miah	

For further information contact:

(LB Brent) Elly Marks, Democratic Services Officer,
0208 937 1358, Elly.Marks@brent.gov.uk

(LB Harrow) Mark Doherty, Democratic Services Officer,
(020) 8 416 8050 mark.doherty@harrow.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

www.brent.gov.uk/committees

The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Election of Chair for the meeting (from amongst the Brent members)

Apologies for absence and clarification of alternate members

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This report updates Members on the operation of the Service over the first six months of the current financial year.

Contact Officer: Nagendar Bilon, Head
of Trading Standards

nagendar.bilon@brent.gov.uk

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This report provides Members with information concerning the Trading Standards budget required for 2010/2011 which will enable Members to make recommendations to the main committee in each borough.

Contact Officer: Nagendar Bilon, Head
of Trading Standards

nagendar.bilon@brent.gov.uk

5 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Democratic Services Manager (London Borough of Brent) or his representative before the meeting in accordance with the constitutions of both Councils.

6 Date of next meeting

The next scheduled meeting of the Trading Standards Joint Advisory Board will be held on Monday 22nd March 2010 at Harrow Civic Centre.



Please remember to ***SWITCH OFF*** your mobile phone during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.
- Toilets are available on the second floor.
- Catering facilities can be found on the first floor near the Paul Daisley Hall.
- A public telephone is located in the foyer on the ground floor, opposite the Porters' Lodge

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PRESENT: Councillor Susan Hall (Chairman, London Borough of Harrow), Councillor Miah (Reserving for Councillor Weiss, London Borough of Harrow), Councillor Baker (London Borough of Brent), Councillor Jones (London Borough of Brent) and Councillor Hashmi (London Borough of Brent).

Councillor Detre also attended this meeting.

Apologies for absence were received from Councillors Tom Weiss and Keith Ferry.

Officers in Attendance were: Bill Bilon (Director of Trading Standards, London Boroughs of Brent and Harrow), Finlay Flett (Head of Community Safety, London Borough of Harrow) and Ash Shah (Assistant Head of Service, Trading Standards, London Borough of Brent)

1. **Appointment of the Chairman (amongst Harrow Members)**

Councillor Hall was appointed Chairman of the meeting.

2. **Minutes of the Previous Meeting – 18 March 2009**

RESOLVED: That the minutes of the meeting held on 18 March 2009 be approved as an accurate record.

3. **Matters Arising**

None.

4. **Report No. 1/09 from the Director of Trading Standards**

Annual Report of the Director of Trading Standards for the year 2008/2009

Bill Bilon introduced the report which highlighted the work of the Trading Standards Service for Brent and Harrow in 2008/09 and the benefits that the Service provided to the public. He advised that the Office of Fair Trading had reported that consumers had made an annual saving as a result of the Service's fair trading activities. He added that a measure of the Service's success was evidenced by the improved trading practices of businesses and a reduced number of consumer complaints. Some of the initiatives officers had used to achieve these results included the Responsible Retailer Scheme for the underage sale of alcohol and tobacco to children and car dealerships selling clocked vehicles.

He reported that:

- Brent and Harrow had worked in partnership as a Consortium since 1965. Brent and Harrow had received £956,000 and £816,000 respectively from the agreed budget for 2008/09;

- The recession had generated extra demand for the Trading Standards Service. Officers had worked in partnership with the police to raise awareness of rogue builders, scams and counterfeiting. Officers had also provided advice on unsafe goods to businesses and taken enforcement action to remove unsafe products when necessary. A saving of approximately £150,000 on legal fees, £88,125 on fines and £76,139 of costs were collected from traders who were prosecuted in 2008/09;
- The Service was comprised of three teams that included; the Fair Trading Team, that dealt with counterfeiting and financial investigations; the Metrology & Safety team that dealt with weights & measures, product safety and pricing; and the Development & Support Team who provided administrative support and was also the first point of contact for consumer and trader enquiries. Sixty-five percent of the budget had been spent on costs for these front line services;
- Existing staff had attended a number of internal and external courses and completed different stages of the Diploma in Consumer Affairs and Trading Standards (DCATS). This was in order to keep updated on legislative and procedural changes that influence trading standards. Ash Shah, reported that the Financial Services Investigator had completed a six month secondment with the Regional Assets Recovery Team of the Metropolitan Police, where he gained first hand experience of the Proceeds of Crime Act 2002;
- Trading Standards had received positive results in the annual staff satisfaction Survey completed in 2008. Employees of the Service felt that they were encouraged to work on their own initiative , but felt that their work life balance could be improved;

Bill Bilon provided an outline on the budget and finance of the service where he highlighted the results of comparisons between London boroughs that had been reported by the Chartered Institute of Public Finance and Accountancy (CIPFA) for 2007/08. He reported that even though 65% of costs had been spent on staff that provided front line services, the individual cost to residents had been £3.12 per person compared to 50% and approximately £3.70 respectively for another London borough. The Chairman commented that these results affirmed the Services status as the benchmark to other London Boroughs as it had continued to produce a great volume of work considering its budget.

A brief summary of the Service's performance against National Performance Indicators (NI) was provided. The overall results of the NI 182 Business Satisfaction survey, which had been gathered jointly with other similar Services in both Council's of businesses that had received an inspection visit, had produced an overall score of 59% and 69% respectively for Brent and Harrow. The results of the postal survey completed by consumers who had contacted the Service had produced overall satisfaction levels of 84.6% and 80.4% for Brent and Harrow consumers. In response to a query raised by a Member of the Board, an officer advised that the indicator had been introduced in 2008 and could not be compared to other indicators for previous years.

The Board received an outline of the partnerships and projects that had been completed by the Trading Standards Service throughout the 2008/09 year. A number of these included the successful coordination of:

- The London Trading Standards Authorities (LoTSA) that had been established between 32 Authorities within the region. Officers were tasked with organising regional projects and campaigns, including investigations relating to the purchase of age-restricted goods by children via the Internet. The survey had reported that the 75% of websites visited had supplied age restricted goods. Its success spearheaded a wider investigation by the Metropolitan Police and Home Office where 80% of the test purchase attempts by children had resulted in sales;
- A joint partnership with the Fire Service and Age Concern to provide free electric blanket testing for residents. It was reported that 19 out of the 100 blankets that were tested were reported to be unsafe;
- A multi-agency approach with CCTV operators and town centre police teams to tackle street traders selling counterfeit DVDs in Harrow. Ash Shah reported the success of this operation has resulted in the problem moving to Brent where a similar initiative that had been rolled out resulted in the seizure of counterfeit clothing and DVDs;
- A partnership with Licensing Services and the Police in both boroughs following underage sales of alcohol to child volunteers and further police investigations, which had resulted in two retailers having their alcohol licence revoked;
- Purchases to test the Challenge 21 and Think 21 schemes used by a number of businesses. Ash Shah confirmed that despite electronic till prompts to remind sales assistants of the scheme, 25% of retailers had sold alcohol to the 14 year old child used in the underage operations;
- The 'Shop the Shop' campaign that had been launched in three schools to encourage pupils and adults to report shops who had sold age-restricted goods to children. Officers confirmed that the scheme would be extended to more schools within the coming year;
- A Department of Health project to tackle problems relating to tobacco products sold by businesses. During their investigations, officers found that a large number of products had not displayed the prescribed health warnings and discovered fake goods, including batteries, lighters and razor blades.

An outline of successful prosecutions under the Proceeds of Crime Act 2002 was provided by Ash Shah where he reported that a Harrow trader had been ordered to pay £55,000 in November 2008. He added that a trader who had provided the Service with the largest seizure of at least £1 million worth of counterfeit trainers had been sentenced to three years in prison. In light of these cases, the Chairman requested that press releases should be produced to inform residents of the enforcement actions taken by officers to increase the profile of the Service. Bill Bilon stated that press releases were always issued after such cases but he would make sure that they utilised the services of the Press Office within both Council's.

Officer intervention in civil cases was also reported, where civil advisors had saved consumers a total of £65,992 through refunds, repairs and negotiation of final payments. Officers' perseverance had successfully negotiated a full refund for a consumer who had been unable to recover the £1,550 that she had been charged for a makeover and photo shoot.

Whilst concluding their report, officers advised that budget cuts to the Service would impact in the long term and would limit the resources available to tackle large scale organised crime. It would also no longer support the proactive approach taken in previous years. Bill Bilon advised that in order to meet expectations of Central Government, the Service intended to promote the benefits of a shared service and the partnership by inviting other Authorities to join the Consortium. He thanked the Board for their support to officers employed by the Service and, in response, the Board congratulated officers on the hard work and dedication of the Trading Standards Service.

RESOLVED: That the report be noted.

5. Any Other Urgent Business

None

6. Date of Next Meeting

RESOLVED: That it be noted that the next meeting of the Trading Standards Advisory Board was scheduled to take place on Monday 7 December 2009 at Brent Town Hall.

**London Boroughs of Brent and Harrow
Trading Standards Advisory Board
7 December 2009**

Report from the Head of Trading Standards

FOR INFORMATION

**Six Monthly Report on the Operation of the Service: April –
September 2009**

1.0 SUMMARY

- 1.1 This report updates Members on the operation of the Service over the first six months of the current financial year.

2.0 RECOMMENDATIONS

- 2.1 That Members consider the content of the report and comment as appropriate.

3.0 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications contained within this report.

4.0 STAFFING IMPLICATIONS

- 4.1 The current staffing situation is contained within the report.

5.0 DETAIL

- 5.1 The report is attached as an Appendix.

6.0 BACKGROUND INFORMATION

- 6.1 Details of Documents:-
Infringement Book

Anyone wishing to inspect the above should contact Nagendar Bilon, Head of Trading Standards, 249 Willesden Lane, London NW2 5JH, telephone 020 8937 5500.

**Nagendar Bilon
Head of Trading Standards**

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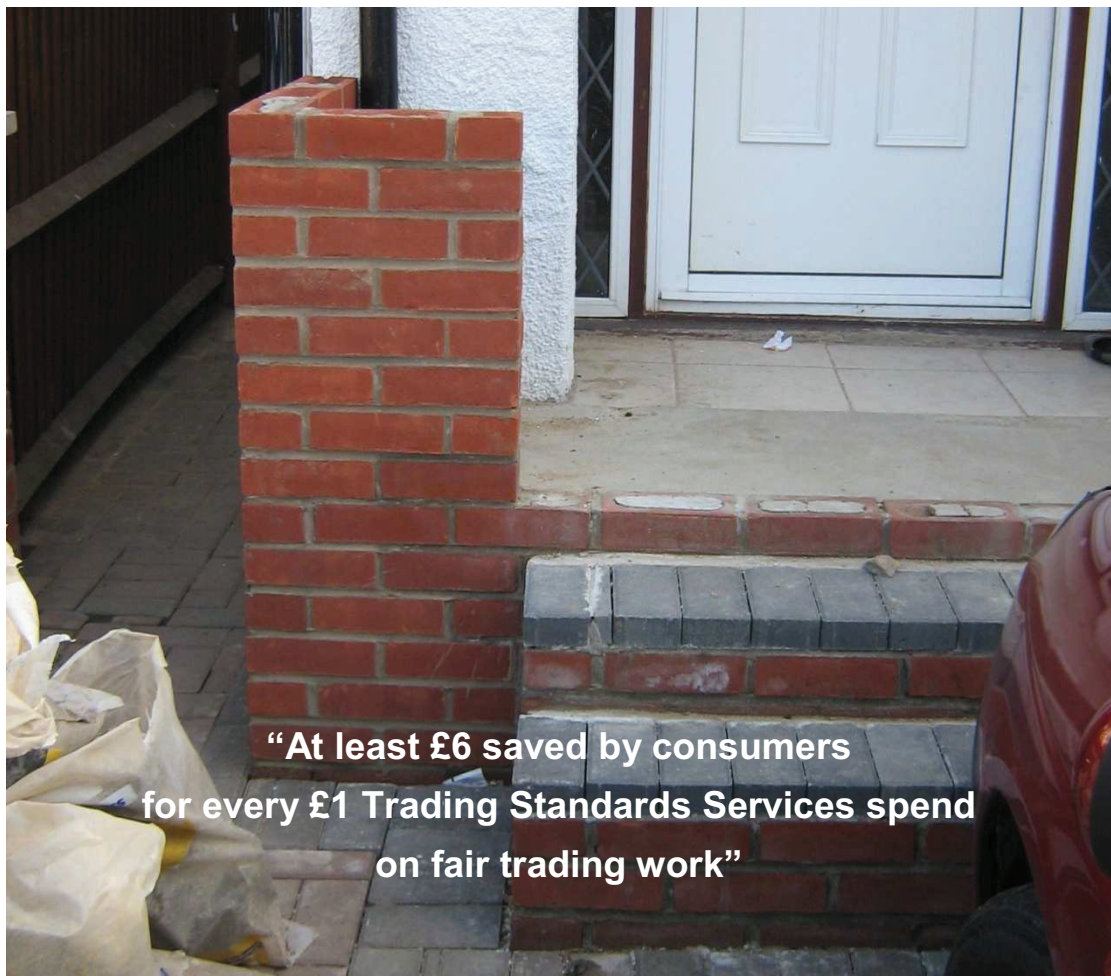


**Brent & Harrow
Trading Standards Service**

WORKING IN PARTNERSHIP



**The Consortium of the London Boroughs
of
Brent and Harrow
Trading Standards Service
Six Month Report
For the period ending 30 September 2009**



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- 2 Partnerships and Projects**
- 3 Investigations**
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- 5 Helping Consumers**
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- 7 Staff Structure**

The quote on the front cover is from an Office of Fair Trading study
on the work of Trading Standards

Introduction

This six month report highlights the work of Brent and Harrow Trading Standards Service during the first six months of the financial year up to the end of September 2009.

Staffing

At the beginning of the year the enforcement teams were reorganised from specialist teams into two separate borough teams to make working easier to coordinate. Individual teams and team leaders remained the same. Two Assistant Heads of Service also swapped roles to broaden their experience

Due to financial cuts in Brent, a part time Trading Standards Officer who left to work for another Authority was not replaced. However, due to the high demand for civil intervention work where assistance is given to residents in resolving their disputes with traders, we recruited a Civil Advisor who started with the Service in June. Another member of staff has started on her training to become an Accredited Financial Investigator. This should provide us with the capacity to, not only deal with our own cases, but to bid for work elsewhere within and outside the Councils. The updated structure can be seen on page 10.

Three members of staff have passed four exams in the DCATS qualification which is the professional qualification for trading standards. They now need to submit a portfolio of work-based evidence to complement their exam passes

Changes in legislation

The Weights and Measures Act has undergone a major change to reflect consumer needs and concerns. A large variety of staple foods, such as sugar, coffee and tea have previously had to be sold in prescribed quantities. That requirement has now gone and those foods can now be sold in any quantity as long as the weight is marked on the product.

As reported in the last Annual Report, the Consumer Protection from Unfair Trading Regulations 2008 came into force last May, which revoked many other statutes and consolidated them into these Regulations. I am pleased to note that our officers have been successful in not only advising businesses about them but also in using the Regulations to secure successful convictions against unscrupulous traders.

Financial Investigations

We are continuing to maximise our resources and punish the traders who flout the law by using our powers under proceeds of crime legislation. Financial investigations can take a long time to conclude, potentially long after the original trial has finished. We believe that by investing the time and resource in this process that we will achieve maximum results and provide the better value for money in the long term. By training another member of staff to carry out financial investigations we should increase the benefit further.

The Recession

The economic outlook has not changed significantly since the last Annual Report and the same pressures that existed then for consumers and businesses are still apparent.

During these challenging times, we become busier with more and more traders looking to increase their profits, sometimes through illegal means. As a result, we have certainly noticed an increase in car-clocking cases coming to our attention, where consumers are sold cars with false mileages to inflate their value. There has also been a marked increase in the number of complaints regarding car clamping, bogus builders and underage sales. The increase in volume of complaints about underage sales, I feel, is as a direct result of the campaigns that we are running to encourage the public to report their concerns to us.

Media

There has been a lot of positive publicity this year already about our work generally and specifically in topical areas such as underage sales and the sale of counterfeit goods. We have featured on a number of national television documentaries and on local and national news items, which have all shown both Councils in a positive light.

One such documentary, 'Who's Watching You?' was on the use of covert surveillance under the Regulation of Investigatory Powers Act (RIPA). This Act has inaccurately been termed by the national press as 'anti-terrorist' legislation which has adversely affected public perception of the invaluable work of local authorities. In fact, prior to RIPA, there were no checks and balances for surveillance and authorities were given a free rein. In the documentary, we were able to show that the use of surveillance was an important tool in bringing rogue traders to justice. During a recent inspection visit by the Interception of Communications Commissioners Office, the Inspector stated he was, "satisfied that the communications data was being obtained lawfully and for the correct purpose."

We regularly feature in local newspapers and the work we do continues to show both Councils in a positive light.

Improvement and Efficiency

With the construction of the Brent Civic Centre and the move towards a mobile workforce, we are beginning to reduce the amount of paper-based systems we have and the amount of documents we retain. We are also trialling the use of tablet computers which allow officers to access trading standards databases and other critical information whilst out in the field.

All staff can now remotely access their computer desktops and applications from home, providing they have a broadband connection. We will be part of the first wave of Brent Council to move to IP telephony and as part of this have already moved to using Microsoft Communicator to help us work more efficiently.

Partnerships and Projects

Ma Kelly

In September, we ran an event for over 80 elderly Brent residents, called Ma Kelly's Doorstep. With additional funding provided by the Neighbourhood Working Team, we arranged for the Attic Theatre Company to perform an engaging 45 minute play, highlighting the dangers of distraction burglary. The play was at the Tricycle Theatre in Kilburn and Brent Community Transport arranged free transport for those residents unable to make it the theatre themselves.

All the audience thought the performers were fantastic and brought the dangers of distraction burglary to life for them. Residents engaged with the actors during the performance to share their concerns about 'who was at the door of Ma Kelly'. After the play, they enjoyed a Marks and Spencer's lunch that we arranged for them and got the chance to meet the Mayor and representatives from Kilburn Safer Neighbourhoods Team and Community Safety.



A scene from Ma Kelly

Overall the residents agreed that they had a great day out and learnt how to avoid distraction burglary in a fun and informative way. Many said that they would share what they learnt on the day with friends. The day was such a success that we are now looking to run the same event in Harrow early next year.

"It was brilliantly done and really got the message across in a fun way."

International Calling Cards

International calling cards, which sometimes advertise misleading cheap rates for phoning overseas, have been a constant source of complaint over the years. As a result, we drafted a code of practice for phone card companies that aimed to make the way they advertise their charges more transparent. At the time it wasn't seen as such a problem outside of Brent and Harrow and so nothing further happened. The OFT have recently decided that the cards are an issue and have set up a focus group to look into the area. Because of our previous work on the code and in prosecuting companies when they have misled the public, we have been invited to join the focus group. Hopefully the work we started years ago will now come to fruition.

Electric Blanket Testing

This year we organised the free testing of residents' electric blankets in Harrow, working with the Fire Service and Age Concern. Our expert tested 76 blankets, of which 10 were found to be unsafe, a slightly lower failure rate than previous years. We hope to be able to continue this much valued work in the future and see the failure rate fall further.

From a Harrow resident whose blanket we tested:

"The testing service you provide is invaluable, especially to the elderly and we hope you will be able to continue it in future years"

Video Game Survey

We took part in a London-wide project, funded by the Department for Culture Media and Sport, to assess the ease with which children can buy age restricted video games. Certain video games are certificated just like DVDs and have the same restrictions on their sale. Across the eight Boroughs taking part, 104 test purchase attempts resulted in 29 sales. In Brent and Harrow 35 attempts resulted in 4 sales.

Rapid Response Results

As well as the proactive work we do with the Police in combating doorstep crime, we have a rapid response protocol so that we can react immediately to calls from residents who have been targeted by cowboy builders. So far this year, we have been called out five times to deal with issues as they happen. Some of the results are detailed below.

We were contacted by the worried nephew of an elderly Brent widow. She told us that builders had cold-called and talked her into letting them do some minor jobs but then started doing work she hadn't agreed to, while she was on holiday. The builders had not given her the cancellation notice required by law, and were now demanding £16,000 for work later estimated as worth only £2,000. They were due back the next morning so we were there, waiting with the Police. The van the builders arrived in was uninsured and so the Police impounded it with their tools still inside. As a result, the van driver, already having a number of points on his licence, is facing an automatic driving ban. The victim no longer has to worry about being bullied into giving any of her savings away.

When we responded to a call from a Harrow resident, we found that he had already paid £11,000 for fascia repair work estimated at being worth £1,500 at most. Working with the Police we were able to prevent the victim from parting with a further £20,000 which the trader was demanding for more repair work. Two men were arrested and detained for questioning.

On another occasion the call originated from Nat West bank in Harrow Weald. A member of staff there was concerned about a man with learning difficulties asking to transfer £7,000 to a company. We arrived promptly, spoke to the gentleman and got his permission to speak to the trader on his behalf. The trader turned out to be a land-banking company who had already received £8,000 from the consumer. After we spoke to them, they agreed to return that money to the consumer. By calling us, the bank helped save the

gentleman from losing £15,000 to a dubious land-banking scheme.

We are currently investigating the builders mentioned above. We are also planning more work to raise awareness among bank staff of how they can spot and stop vulnerable people being taken advantage of.

Wembley Stadium

We have worked at all of the major events taking place at Wembley Stadium through the summer including the F.A. Cup Final, the league playoff finals and music concerts. We work in partnership with the Police and Brent Licensing teams to stop and check sellers, seize their illegal goods and where appropriate, investigate the matter further.



Counterfeit scarves from the FA Cup Final in a seller's car boot

Week of Action

In July we spent a week of action working with regulatory partners from Harrow Council and the Police. The action started in South Harrow before moving to Harrow and finishing in Harrow Market. During the week, we visited over 50 traders offering advice on the law and signing some of them up to our Responsible Trader Scheme. We carried out underage test purchases and also dealt with a complaint about a falsely described ice cream. At Harrow Market we seized a variety of counterfeit goods from traders, who we are now investigating.

Investigations

Repeat Offender

A Harrow market trader pleaded guilty to offences of offering for sale unsafe and counterfeit goods from his market stall at Harrow Market. He was ordered to pay a fine of £300 and prosecution costs of £650. The trader had previously accepted a simple caution for selling fake goods but was again found selling counterfeit batteries and mobile phone accessories as well as travel adapters which allowed access to live parts and posed the risk of electric shock or injury to anyone using them.



Some of the counterfeit goods seized

Counterfeiter Tagged

Another stall holder at Wembley Market was ordered to be electronically tagged and required to reside at her home address, with a curfew between the hours of 9pm to 7am, after having pleaded guilty to counterfeiting charges. When we raided her stall at the market we seized 898 counterfeit items and found details of goods being delivered to a storage facility. The next day, we obtained warrants and broke open two storage units where we found another 1,276 items. The total street value of the goods was estimated at £69,000.

Rip-off Tip-off

With information and the help of private investigators, we traced the supply chain of a gang of market trader involved in the sale of counterfeit goods to a local self-storage facility and found that they had a stall at Shepherds Bush Market as well as Wembley. We

executed warrants on the same day at a home address, Wembley Market and the self-storage facility, followed by raids at Shepherds Bush Market and another lockup two days later, seizing over 7,000 items. We later searched another residential address and found a further 900 counterfeit items even though the resident knew that we were investigating him.

The main defendant admitted that the business turned over £600,000 in just over two years. He was jailed for a year and the three others were ordered to do unpaid community service. Sentencing the men, His Honour Judge Maloney QC said: "This is not a minor matter. Brand names are the valuable property of the companies that invest in them. It is as wrong to steal somebody's brand name as it is to steal their car or physical property."

Shisha Shocker

Officers observing an underage test purchase in Stanmore were stunned when they saw children wearing school uniforms openly smoking shisha at tables outside the restaurant they were visiting. They were less than surprised then, when the restaurant sold shisha to our child volunteers. The restaurant and the individual who sold the shisha were fined a total of £800 and ordered to pay costs of £870. As a result, we also gave evidence at a licensing hearing and the restaurant now employs a door supervisor. Unfortunately, shisha smoking is becoming more common as many people mistakenly believe that it is not as harmful as smoking cigarettes.

Market Troubles

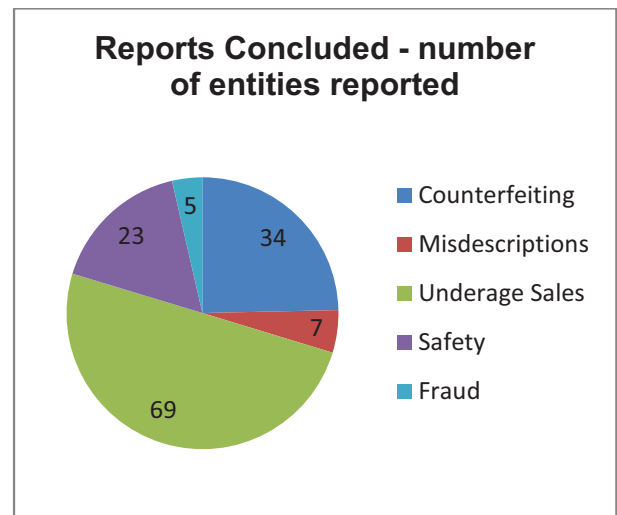
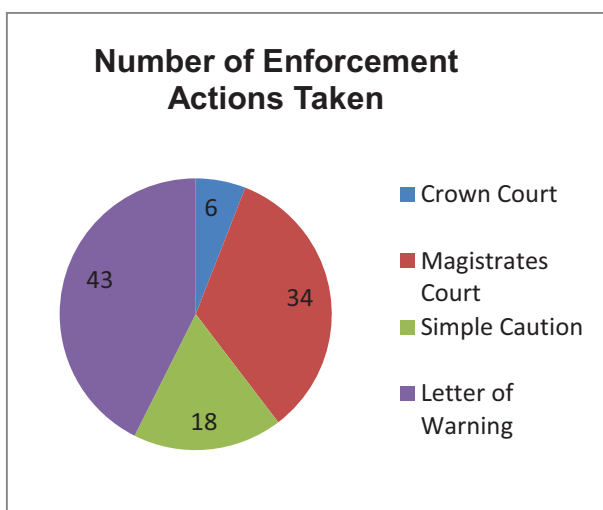
In June, a Harrow Market trader was sentenced to three months imprisonment for selling counterfeit goods. We seized over 100 items from his stall at Harrow Market when we found counterfeit clothing for sale. We later discovered that he had previously been issued a caution for selling counterfeit clothing at another market.

Four Fraudsters Foiled

Four men were caught after an operation at Wembley Market that started with us visiting five times and buying counterfeit trainers from them. We obtained the stall holders' details and wrote warning them of the consequences of breaking the law by selling counterfeit goods. Despite this, they continued to trade in illegal goods. With the police, we raided the stalls, seizing a large quantity of counterfeit trainers with a street value of £31,475.

The main defendant, who had two previous convictions relating to counterfeit goods, tried to deny he was involved or had received any of the warning letters that we had addressed to him. He claimed that he wasn't known as 'Naz', the name we had used in addressing letters to him. However, when he was cross-examined he admitted that he had a personalised number plate which included the name 'Naz', that he was known as 'Naz' and he had actually received some of the advisory letters but had thrown them in the bin.

'Naz' was sentenced to two years after being found guilty of supplying counterfeit goods. Three other men were also sentenced after pleading guilty to the same offence during the trial. One to six months in prison, one to 200 hours and the other to 100 hours of unpaid community work.



Shocking Phone Chargers

An unsafe mobile phone charger being sold in Brent led us to working with another trading standards team to take action against the supplier. We bought a mobile phone charger from the Willesden shop, had it tested and found out that it was unsafe. We returned to the shop and seized the remaining stock and asked the shop owner to give us the details of who had supplied him. We spoke to Tower Hamlets trading standards, where the supplier was based, they visited them and seized a large variety of mobile phone chargers.

To save our costs, we agreed with Tower Hamlets that they would add the offences in Brent to theirs, by the trader agreeing for them to be taken into consideration. The supplier was fined £1350 and ordered to pay costs of £3,566. All the electrical items seized were forfeited and ordered to be destroyed.

No Smoke Without Fire

A Harrow Weald shop that was the source of a large number of complaints alleging they sold cigarettes to school children was an obvious place to conduct a test purchase. The shop subsequently sold cigarettes to a fourteen year old child volunteer. The owner of the business received a two year conditional discharge and was ordered to pay £925 costs.

Underage Sales

Protecting children from harm and preventing the sale of age-restricted goods to children is one of our main priorities. There are a number of ways that we do this which are detailed in other sections of this report. Even some of the traders we take action against appreciate the value of the work we do.

From a trader we prosecuted for an underage sale – “I am glad Trading Standards are keeping us on our toes because these operations are doing good for society”

Responsible Retailer Scheme

As well as taking enforcement action we work with traders to educate them on the law and advise them on how to ensure they don't sell age-restricted goods to children. The Responsible Trader Scheme was set up to help achieve this and its membership is now over 300 and growing.

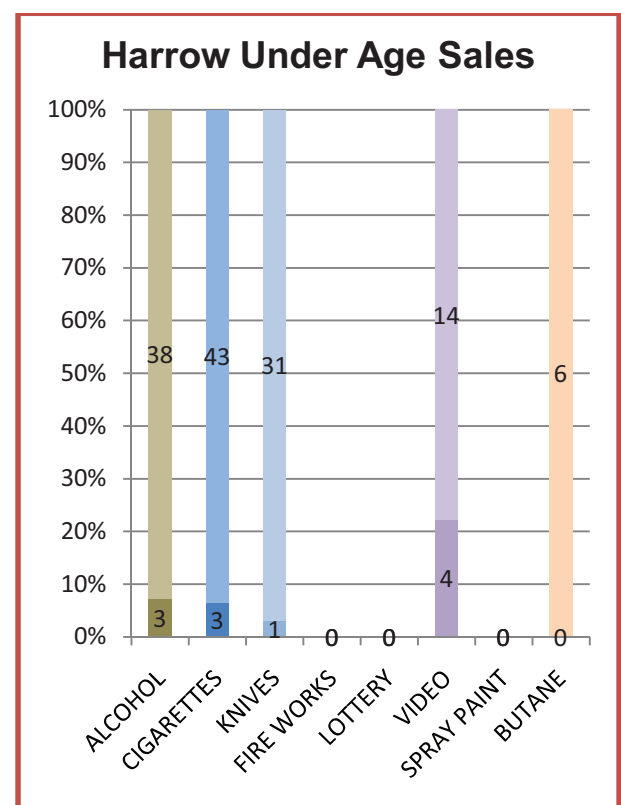
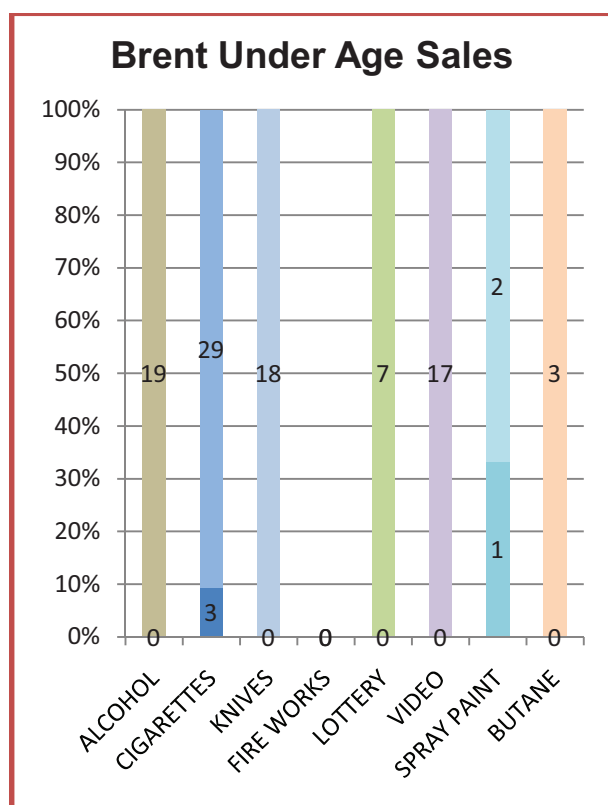
Test Purchasing

We are over half way to meeting our target for test purchase visits. So far we have had 4 sales from 99 visits in Brent, a rate of 4.0%, and 11 sales from 143 visits in Harrow, a rate of 7.7%. Promisingly, these rates are lower than for 2008/9 and we hope they will be continued or improved on during the rest of the year. This reduction is directly attributable to the continued proactive work we do .

The Video Recordings Act

In August this year it came to light that the Home Office had failed to notify Europe when the Video Recordings Act 1984 came into force. Because of this the Act is unenforceable and is currently going through Parliament to be re-enacted. In the meantime, we have had to drop all our cases under the Act. This not only affects underage sales of DVDs and games but also the classification of movies; at the moment, unclassified material such as pornography can, unless it is caught by some other law, be sold perfectly legally.

Tables of Underage Test Purchasing Refusals (top figure) and Sales (bottom figure)



Helping Consumers

Course Fee Refunds

A Brent resident decided to change their career and enrol on a training course. He clearly specified with the college that he could only attend on certain dates, which they verbally confirmed. As a result, he entered into a credit agreement for nearly £5000 to pay for the course. However, a week later the college told the consumer that he couldn't have the agreed dates and offered him different dates, which he couldn't make. He tried to cancel the agreement but the college refused. When the consumer contacted us, we got in touch with the college and provided evidence that they had breached the terms and conditions of the contract with the consumer. The company agreed to cancel the course and the associated credit agreement.

A consumer in Harrow, who had a child suffering from dyslexia, paid a trader to provide sessions which would cure the dyslexia by doing various exercises. She took out a credit agreement in order to pay for the course. The company moved from one of their premises close to the consumer and expected her to travel outside London for the classes, which was incredibly inconvenient. The consumer complained to the company, who told her that she could access the course online but she found there was no online support to go with the course. The credit provider refused to cancel the contract until we got involved and managed to get the consumer her £1550 back.

Stair Lift Climb-down

An elderly Harrow consumer, who was housebound and reliant on her stair lift, contacted us when her stair lift stopped working and the company refused to repair it, as it had run out of warranty. We contacted the company and told them that as well as the warranty, the consumer has rights under sale of goods laws. The company immediately repaired the stair lift, saving the consumer £500 in repair fees.

Never Too Late

A Willesden resident bought a washer-dryer from a large company 6 years ago. The appliance never worked properly from the start but, despite complaining to the shop, he was not provided with a replacement at the time. In the last three years it has needed to be repaired about 17 times and the consumer was extremely frustrated at having to pull wet, heavy clothes from his machine every time it broke down. We contacted the Head Office of the company on behalf of the consumer and advised them that we believed that his legal rights had never been effectively honoured from the start of the contract, six years ago, and requested a replacement machine for the consumer. The company wrote back within a week to say that the consumer could visit the store and select a new washer/dryer at no extra cost.

So far this year, our civil advisors have saved Brent and Harrow residents a total of £34,417.27

How About an English Course?

A student from India applied to a Brent college and got a student visa for a health and social care course. The course cost £3550 which was paid using his mother's life savings. When he arrived in the UK, the college told him that they couldn't provide the course for him and tried to persuade him to take an English course instead. The student refused as he specifically wanted the course he paid for. When he asked for his money back the college refused. The student contacted us, following his aunt's suggestion, and we finally managed to get his money back from the college in September. The student is now registered for the course he wants at another college.

Conclusion

Once again, I am extremely pleased with the variety and complexity of the work that Trading Standards staff have produced. The demands on the Trading Standards team remain as strong as ever and I hope that the sample of criminal and civil cases contained in this report demonstrate the benefit that the Service provides to the local community.

The Olympics

This demand is likely to increase dramatically with the impending Olympics and the influx of spectators, tourists and traders. The allure of profits from this event will undoubtedly draw in rogue traders as well and I am pleased to report that in my role as Chair of the London Trading Standards Authority (LoTSA), I am co-ordinating the strategic activities of Trading Standards throughout London.

Prevention Better Than Cure

Like other regulators, we have a twin role to play in enforcing consumer protection laws. On the one hand we will take appropriate enforcement action when we discover serious breaches of the laws we enforce. But we also put a lot of effort in to trying to prevent problems occurring in the first place. It is impossible to quantify the impact of the prevention activities that my officers undertake but its importance cannot be underestimated. Lives will have been saved as a direct result of the toy and electrical equipment safety projects that we undertake and as a result of our removal from sale of unsafe counterfeit products. Most consumers cannot always distinguish between a safe and unsafe product until it causes injury, by which time it is too late.

With resources constantly shrinking, some of these 'intangible' projects are becoming difficult to justify. For example, we have not been able to participate in events such as 'Under One Sky' and the 'Respect Festival' this year, which would provide information to residents regarding our work and raise the profile of this Service.

As with any service, I have prioritised our resources where they will have maximum impact and benefit residents and bona fide traders. However, I am mindful of the terrible situation that befell our financial institutions through relaxation and self regulation and I am keen to see that this does not happen insofar as consumer protection is concerned.

Through the Looking Glass

The next six months look like being just as busy as the last six. As well as our planned work, we have successfully secured funding from the Electrical Safety Council to carry out work checking the safety of second hand electrical appliances for sale in Brent. We have also secured funding to carry out work checking the safety of personal protective equipment.

The perennial issues at Wembley Market and the sale of counterfeit clothing will be very resource hungry in the run up to Christmas and we will look to repeat the success of 'Ma Kelly' in Harrow.

We have worked with a local reporter who has had an in depth look at what we do and will be publishing a series of features on our work in the coming months. This should help raise the profile of the Service and both Councils with residents.

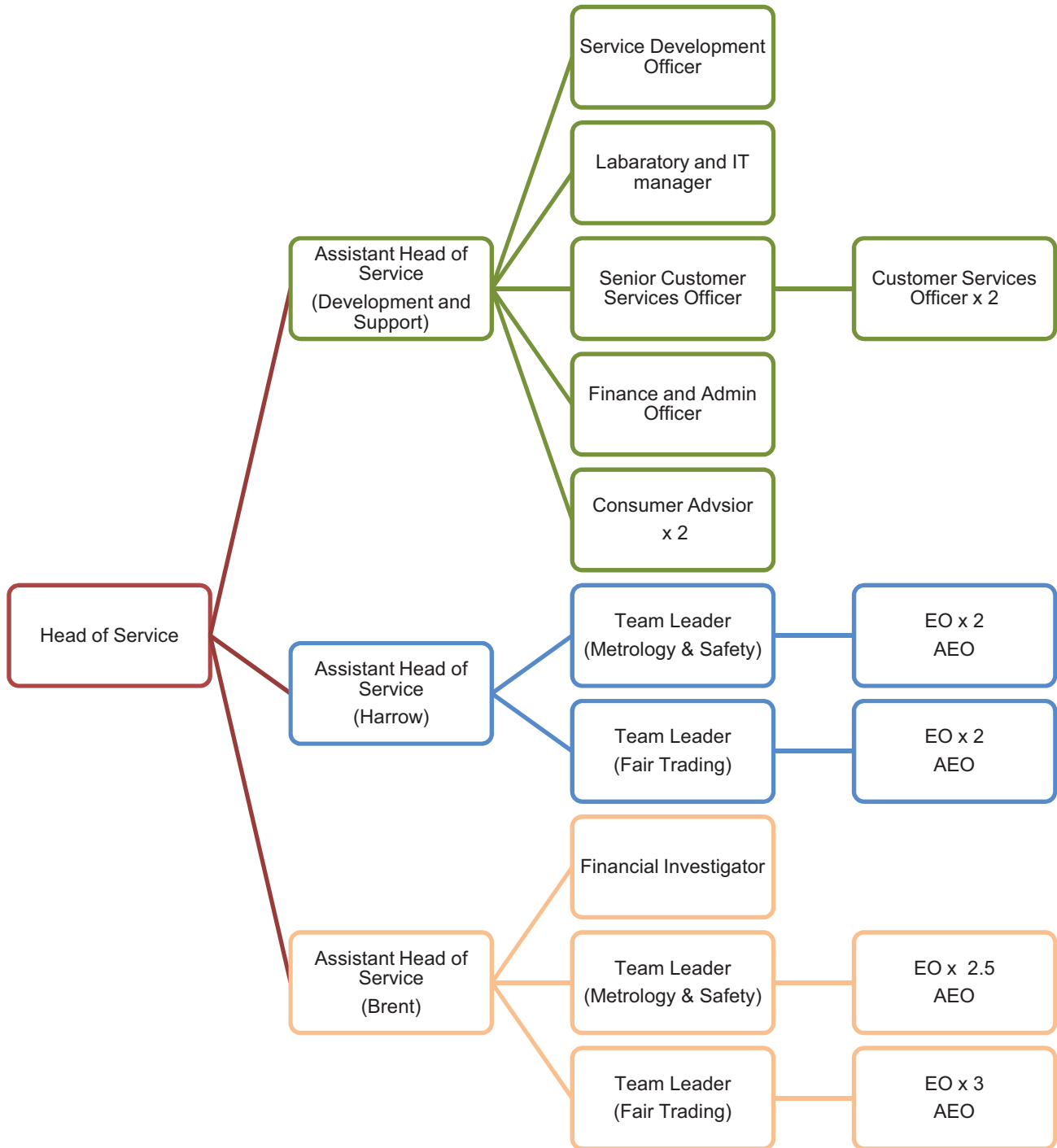
We have a number of high profile cases which have been committed to Crown Court and should be concluded within the next six months. We also have many POCA cases that will hopefully be resolved by the end of the financial year.

I will update you on all of these issues at the end of the year.

Nagendar Singh Bilon
Head of Brent and Harrow Trading Standards Service

Trading Standards Structure

Structure as at 30 September 2009, 30.5 posts



EO = (Senior) Enforcement Officer

AEO = (Senior) Assistant Enforcement Officer

**London Boroughs of Brent and Harrow
Trading Standards Advisory Board
7 December 2009**

Report from the Head of Trading Standards

FOR INFORMATION

Trading Standards Budget for 2010/2011

1.0 SUMMARY

- 1.1 This report provides Members with information concerning the Trading Standards budget required for 2010/2011 which will enable Members to make recommendations to the main Committee in each borough.

2.0 RECOMMENDATIONS

- 2.1 That Members consider the implications of this report and agree recommendations for the budget making process of each Council.

3.0 FINANCIAL CONSIDERATIONS

- 3.1 This report concerns the finance of the Trading Standards Service for 2010/2011 and the proposals are for consideration by both Councils.

4.0 STAFFING IMPLICATIONS

- 4.1 Significant reductions from the estimated 2010/2011 required budget detailed at paragraph 5.6 could result in staffing reductions.

5.0 DETAIL

5.1 Background

- 5.1.1 The Trading Standards Service is a front line service and carries out the statutory obligation placed on the two Authorities to enforce criminal consumer protection legislation. The Service enforces over 40 Acts of Parliament, numerous EC Directives, sub-ordinate legislation, Codes of Practice and guidelines.

- 5.1.2 Clause 23 of the Consortium Agreement outlines the procedure for setting the budget each year. The Head of Trading Standards is required to report to the November/December Consortium meeting, detailing the implications of budget changes for Members' consideration and discussion. The Consortium Joint Advisory Board is then required to decide proposals to recommend to the Councils of Brent and Harrow for the budget to be set for each Council's area.
- 5.1.3 The current Trading Standards staffing establishment is 29.3 FTE staff; 22.3 provided on a borough basis and 7 shared staff. The Brent and Harrow borough teams have 11.8 and 10.5 front line enforcement staff respectively. The 7 members of staff who are shared between both boroughs include:- Head of Service, Assistant Head of Service (x1), Laboratory & Systems Manager, Service Development Officer, Customer Services Manager, Finance & Administration Officer and 1.5 Customer Services Officers. Therefore, the Service has an equivalent of 15.3 FTE staff working for Brent and 14 for Harrow, which reflects the proportion of the budget contributions made by each borough during 2009/2010.

5.2 Fixed Costs

The items to be included as fixed costs in the budget are detailed in the Consortium Agreement. The estimated fixed costs for 2010/2011 are £719,562 (£374,172 for Brent and £345,390 for Harrow). This is 42% of the total budget. Included in the figures for fixed costs is the notional rent for the office accommodation, which currently is being paid by Brent for both boroughs' contribution. The apportionment of fixed costs is, according to the Consortium Agreement, on the basis of the percentage budget split of the total budget from the previous year.

5.3 Variable/Activity Costs

- 5.3.1 The major expenditure of the Service is on the variable costs. The 2010/2011 estimate is £994,484 (£517,092 for Brent and £477,392 for Harrow). 92.6% of these costs are for staff salaries and the remainder is for sampling & analyst fees and legal costs for prosecutions taken by the Service.
- 5.3.2 Each area of variable costs has been examined and reduced wherever possible. £994,484 is required to maintain the same level of service delivery as this year. There are no areas, apart from salaries, where significant reductions could be made without jeopardising the operation of the whole Service. The trend over the past few years has led to the reduction of the overall budget and has not kept pace with inflation, thereby leading to a decline in the provision of trading standards services in the two boroughs.

5.4 Income

- 5.4.1 There is little scope for increasing income. Historically, the main source of income has been from fees for verification of equipment under the Weights and Measures Act. Deregulation, however, has permitted manufacturers to verify their own equipment (both new and repaired) which has drastically

reduced this source of income for the Service. Fees charged under the Weights and Measures Act are recommended by the Local Authority Coordinating Body on Regulatory Services. We have deviated from that recommendation in the past and substantially increased the charge for testing of some types of equipment. The income from these fees, however, has reduced over this year, but I have estimated the income from this source to be £8,000 for next year.

5.4.2 The main source of income for the Service now is from costs awarded against defendants following successful court convictions. The estimated income for next year is £70,000. This reflects the fact that costs are dependant on the number of cases taken to court, which in turn is directly related to the number of staff employed by the Service. Although the Service is generally being awarded more costs per case, the number of staff has been reduced during the past two years. These posts would have produced prosecutions which would have resulted in greater costs next year. This income is by no means certain and subject to award by the courts. Conversely, it must be remembered that the cost of undertaking prosecutions has also increased, particularly in cases where the Service has no alternative but to use barristers in matters that are heard in the Crown Court. The present level of income is dependant on maintaining the current level of prosecutions. Obviously, if there are staffing reductions involving enforcement staff then fewer cases will be prosecuted and the projected income may not be achieved. Since the introduction of The Protection of Consumers from Unfair Commercial Practices Regulations 2008 in May 2008, the Service has a statutory duty to consider other alternatives to prosecutions, such as informal/formal undertakings, civil orders and injunctions. This will undoubtedly further reduce the costs that the Service has been able to recoup from criminal proceedings in the past whilst, at the same time, increasing the legal costs incurred in pursuing the new civil sanctions.

5.4.3 As a result of recent changes in legislation there is a further opportunity to generate income under the Proceeds of Crime Act 2000 (POCA) which allows prosecuting authorities to seize the assets of those who benefit from criminal lifestyles, such as counterfeiting. However, sufficient resources need to be available to investigate this type of criminal activity and complicated financial investigations cannot be conducted by reducing the budget and effectively reducing the number of staff in post. In addition to generating our own income, there is opportunity to market the skills of our qualified financial investigators to other Council Departments to assist them with their POCA investigations.

5.4.3 Instead of the Consortium budget being treated as one cost centre for both Boroughs, the income and expenditure is accounted for separately for each so as to provide improved monitoring. This has involved constructing the budget into three cost centres:-Brent (variable costs), Harrow (variable costs) and Shared costs.

5.5 Prioritisation of Work

- 5.5.1 Most of the work of the Service is demand led, either as a result of complaints received from members of the public and businesses or requests for advice from local traders and other agencies. There have never been sufficient resources to enforce all the legislation assigned to the Service so a high degree of prioritisation occurs on a daily basis. The Service has been placed under considerable pressure over the last two years in trying to cope with new legislation and other demands from both businesses and consumers without the necessary resources to carry this out. The Service recognises that the illicit sales of age restricted goods cannot be stemmed by enforcement alone and that regular education of retailers and their staff is required. To that end, the Service is committed to sign up at least 500 members to its 'Responsible Trader Scheme' which gives businesses the necessary tools to prevent such sales to underage children. Checking businesses for compliance with respect to age restricted sales is regularly carried with our child volunteers and invariably this includes operations at weekends and evenings. Another persistent issue with the Service is the huge volume of counterfeit and unsafe goods that are sold across the boroughs. Again, much of this enforcement is carried out at weekends or outside normal office hours for which overtime has to be paid to our staff. As such, the Service does not have the resources to respond to all these demands.
- 5.5.4 Prosecution work is also prioritised in order to minimise the cost of proceedings and maximise the protection of the public. The implications of instituting legal proceeding in a particular case are carefully weighed up before a decision to prosecute is made. Carrying out prosecutions "in house" is extremely successful as very few cases are lost and the Service saves a considerable amount of money each year in legal fees. Many more defendants, however, are now opting for Crown Court trial which involves the cost of instructing Counsel and an increasing number require the assistance of interpreters, which places an increased financial burden on the Service. The Human Rights Act and the Regulation of Investigatory Powers Act also places additional demands on our investigations and senior officers and our investigations are subject to external scrutiny by Commissioners appointed by the Home Office.
- 5.5.5 Many staff put in extra effort often in their own time to produce additional work without compromising the targets set. These include:- talks; displays; exhibitions; press releases; supervising work experience students and liaising with schools to provide information on trading standards matters to the consumers of tomorrow. This extra work is a direct reflection of the high commitment of staff. However, any further reduction in the budgets would mean that this very important area of work would have to cease.

5.6 Proposed 2010/2011 Budget.

The required budget for the Consortium for 2010/2011, which only includes an inflation increase of 0.75% from the previous year's budget, is £1,714,046. This would be apportioned between the boroughs as follows:-

	Fixed Costs (42% of Total)	Activity Costs (58% of Total)	Total Costs
Brent (52%)	£374,172	£517,092	£891,264
Harrow (48%)	£345,390	£477,392	£822,782
TOTAL	£719,562	£994,484	£1,714,046

(The inflation rate of 0.75% is based on Brent's Budget Guidelines for 2010/11.)

- 5.7. The budget shown in 5.6 above would produce the same units of output work as 2009/10 in both boroughs, but would not account for new legislation and duties. This is based on the work priorities remaining largely the same as this year (see Appendix 1).
- 5.8. The Consortium agreement requires the Head of Trading Standards to provide alternatives to the proposed budget for consideration by the respective Councils. However, I fully recognise that the current financial situation within both Councils does not allow for growth in the Trading Standards budget for 2010/11. Therefore, I do not propose to seek any growth whatsoever apart from the inflationary increase as stated in paragraph 5.6 above.
- 5.9. Similarly, any decrease in the 2010/11 Trading Standards budget would lead to a significant reduction in our ability to respond to consumer complaints and trader enquiries. It would also result in a decrease in proactive work such as inspections of trade premises, consumer education and partnership working with other Council services and partner agencies, i.e. 'days of action', doorstep crime, Neighbourhood Champions Scheme, schools educational programmes. Any reduction in the Trading Standards budget will lead to an increase in complaints against the Service and would adversely affect the Service's ability to achieve the upper threshold standard with respect to the new national performance indicators for Trading Standards (see 5.10 below).
- 5.10. Nevertheless, to comply with the requirements of the Consortium Agreement, the table below sets out several options that should be considered along with the impact of any such increase/reduction in the 2010/11 Trading Standards Budget.

<u>Options</u>	<u>Total Cost (£)</u>	<u>Cost Per Borough (£)</u>		<u>Complaints</u>		<u>Reports</u>		<u>Prosecutions</u>	
		Brent	Harrow	Brent	Harrow	Brent	Harrow	Brent	Harrow
Zero Growth	1,714,046	891,264	822,782	1344	1208	72	62	34	28

(Includes 0.75% inflation)									
Decrease of 2%	1,679,765	873,438	799,030	1317	1184	70	61	33	27
Decrease of 4%	1,645,484	855,651	789,833	1290	1160	69	59	32	26
Increase of 2%	1,748,327	909,130	839,197	1371	1232	73	63	35	29
Increase of 4%	1,782,608	926,956	855,652	1398	1256	75	64	35	29

5.11 A new single set of national indicators were introduced last year as part of the new Performance Framework for Local Authorities. In this 'basket' of indicators the two that directly affect Trading Standards are "*Satisfaction of businesses with local authority regulatory services*" and the "*Impact of local authority regulatory services on the fair trading environment*". There are also a host of other indicators where the Service will have an indirect impact as part of the Comprehensive Area Assessments, namely, with respect to Safer Communities and Children & Young People. In order to maintain the "upper threshold" standard for both respective Authorities it is vital that the existing complement of officers is maintained.

5.11 The budget making processes in each Council are currently at too early a stage to identify likely budgetary allocations for 2010/2011.

6.0 BACKGROUND INFORMATION

6.1 2010/2011 Budget File

Any person wishing to inspect the above should contact N S Bilon, First Floor, 249 Willesden Lane, London NW2 5JH, telephone 020 8937 5500.

N S BILON
HEAD OF TRADING STANDARDS

APPENDIX 1

Service Aim, Priorities and Objectives

Service Aim

The overall aim of the Trading Standards Service is **“to ensure a safe, fair and equitable trading environment exists for consumers and commerce alike.”**

This aim will be achieved by enforcement of the legislation assigned to the Service, carried out with due regard to our mission statement and within the terms of our overall objectives.

Service Priorities

The priorities for the Service are:-

National Priorities

- i) Informed Confident Consumers
- ii) Informed Successful Businesses
- iii) Enforcement of a Fair and Safe Trading Environment
- iv) Efficient, Effective and Improving Trading Standards Services

Local Priorities

- i) Investigation and speedy resolution of consumer complaints.
- ii) Advice to traders and consumers.
- iii) Inspection of relevant trade premises to achieve compliance.
- iv) Partnership working with other organisations.
- v) Promotion of these objectives to the community.
- vi) Verification of trade equipment
- vii) Warning and prosecuting offenders where appropriate.

Performance Management has been introduced for all staff, who have monthly assessments to ensure targets and results are met and full appraisals twice a year to ensure all the unit priorities and objectives are achieved. Each officer's Key Result Areas and Success Criteria reflect the priorities and objectives.

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