



**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
24 October 2016**

**Report from the Senior Regulatory
Services Manager**

FOR INFORMATION

All Wards

**Service Level Agreement With National Trading Standards Scams
Team**

1.0 SUMMARY

- 1.1 This report seeks approval from the Joint Advisory Board to agree the Trading Standards Service working in partnership with the National Trading Standards (NTS) Scams Team in respect of the sharing of information and receiving referrals from the NTS Scams Team.

2.0 RECOMMENDATIONS

- 2.1 That Members consider the report and make any recommendations where appropriate including which of the two agreements, a regular 'service level agreement' or a 'priority service level agreement' we should agree to.

3.0 DETAILS

- 3.1 The National Trading Standards (NTS) was set up by the Government to provide leadership, influence, support and resources to help combat consumer and business detriment nationally, regionally and locally. One of their current priorities includes cross border mass marketing and internet scams.
- 3.2 In response to this, the NTS has created its Scams Team with the aim of tackling mass marketing scams bringing disruption to the perpetrators. The team works closely with scam campaign Think Jessica, the Metropolitan Police, Citizens Advice, Royal Mail and other mail providers, the Financial Ombudsmen Service and the National Crime Agency.
- 3.3 The NTS Scams Team estimates that each year, mass marketing mail scams, which often target vulnerable or disadvantaged consumers, cause approximately £3.5 billion worth of detriment to UK consumers.
- 3.4 Scams are frequently targeted at the vulnerable members of our community such as the elderly or those who might be already in debt. As well as being a nuisance receiving cold calls and unsolicited mail in the post, scams are a serious and endemic problem which can cause not just a financial loss, but also lead to mental health deterioration to the often silent victims of fraud.

- 3.5 Research conducted by the Scams Team suggests that people respond to scams for a number of reasons. They have identified that the following factors may result in an increased risk of scam victimisation:
- Are over 70 years old
 - Have access to their own funds
 - Live alone
 - Have few or no visitors
 - Often spend the day at home
 - Are trusting of peoples motives
 - Own a landline telephone
 - Have physical or mental health problems
 - Suffer from a cognitive impairment such as a form of dementia like Alzheimer's disease
- 3.6 People respond to scams because:
- They want to provide a financial gift to their family
 - They are bored or lonely and want something to do during the day
 - They are recently widowed or inexperienced in dealing with financial matters
 - They are in financial hardship
 - They respond impulsively
 - They feel pressured to respond
 - Through habit or a dislike of change
 - They think it may be worth taking the risk
- 3.7 The Scams Team runs a 'Work Time Listening and Learning' training scheme with the Royal Mail to combat mail scams. This has been delivered to more than 2,000 post people to help them identify the tactics used by mail scammers and to spot potentially vulnerable households.
- 3.8 The Scams Team hosts a number of educational campaigns throughout the year. This included their 'Mail Marshal' scheme which allows a scam mail victim to collect scam mail they have been receiving and send it to the Scams Team to support their investigative work and the 'Friends Against Scams' initiative which aims to protect and prevent people from becoming victims of scams by empowering communities to Take a Stand against Scams.
- 3.9 The Scams Team have two different types of agreement. The regular Service Level Agreement that provides for an agreed number of referrals to be sent through on a monthly basis. The Scams Team expect feedback every 4 weeks along with any further updates as necessary once we have advised the victim/s. The system for referrals is flexible with the Scams Team suggesting a minimum of 4 per month up to their total included on the whole list which is sorted in order of most recent referrals.
- 3.10 The second type of Service Level Agreement is for priority only referrals. These are confirmed scam victims and details would be sent through to us as and when they are detected. Again, feedback is expected every 4 weeks and thereafter as required. It is our recommendation that we initially chose to adopt this type of

agreement so we only have contact with the priority scam victims.

- 3.11 Our initial suggestion is that the Service would aim to accept up to 5 referrals per month, per borough. This would be then reviewed in 6-9 months time dependent on the number of referrals.
- 3.12 We have trialed working with the Scams Team on several occasions. Most recently, was during September 2016. This resulted in receiving details of 62 potential scam mail victims, (29 were Harrow residents and 33 resided in Brent). This example evidences the potential number of local residents who are unwittingly responding to mailing scams, with this being the small number that the Scams Team have been able to intercept. Potentially, the number of victims is likely to be considerably higher.
- 3.13 We are required to contact the victim detailed in the referral, explain that they have been a victim of a scam, provide advice about responding to similar 'prize draws' and offer support to them with the assistance where necessary, of the relevant borough's Adult Safeguarding Teams.
- 3.14 Advice from the Scams Team is the best intervention with a victim is by personal visit as many are silent victims of doorstep crime as well and this reduces the risk of immediate safeguarding issues being missed. However, there is discretion for us to provide other methods of intervention. We have tried various methods of intervention including home visits, phone calls and contacting the recipients in writing. Where money was returned, these visits were all carried out in person.
- 3.15 Recently, the Scams Team have been working with the Home Office as part of a Joint Taskforce bringing together regulators and financial institutions to tackle fraud. Part of this work has seen the renewal of a National Banking Protocol agreeing a set of guidelines for financial institutions aimed at identifying customers who were subject to doorstep crime or other fraudulent activity and reporting this to either the Police or Trading Standards.
- 3.16 The Protocol is set to launch on a trial basis in London on the 24th October 2016. Training materials are being developed for distribution to bank staff and training is being given to the Police. It is expected that this collaborative approach will increase our contact with the victims of scams, and in doing so, will ensure they receive the better support and advice. Furthermore, it will provide us with more information, intelligence and evidence about the perpetrators.
- 3.17 Officers receive a monthly newsletter and an alert every two weeks from the Scams Team which detail the latest scams to watch out for. This can be publicised and/or circulated to neighbourhood watch or other community groups.
- 3.18 The team is carrying out a research project with Professor Keith Brown and Bournemouth University to raise awareness of the scale of scams within the UK. Working with the Chartered Trading Standards Institute, the team is aiming to document how early intervention with scam victim allows them to remain independent and living in their own homes longer than victims who receive later or no intervention.

- 3.19 To date, on a national basis, 17 local authorities have agreed the Scams Team Service Level Agreement. In London, 24 Boroughs have signed up with the remaining likely to agree the protocol in due course.
- 3.20 Agreeing to work in partnership with the Scams Team will bring the benefit of being able to reach some of our Borough's most vulnerable residents who otherwise may have no contact with the Trading Standards or even their Council as a whole. Having made contact with these residents, we will be able to offer support and clearly signpost those residents to others who could assist them as appropriate whilst helping our authorities fulfil their statutory safeguarding responsibilities to prevent financial abuse under the Care Act 2014. This work also fits the corporate agenda's namely the 'Better Lives' objective in the Brent Borough Plan and 'Protecting the Most Vulnerable' found in Harrow's Ambition Plan 2020.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no direct financial implications for each borough as a result of this proposal as the work will be absorbed within current staffing resources and existing budget provision. However, it should be noted that both borough teams are already working at full capacity and this work should it be agreed, would have to be prioritised in amongst other duties such as reducing the number of consumer complaints we investigate.
- 4.2 Should the reprioritising approach not be agreed, then additional financial resources would be required to increase staff numbers to undertake this work.

5. STAFF IMPLICATIONS

- 5.1 As mentioned in paragraph 3.15 above, it would be necessary for us to exercise our discretion to moderate the number of referrals received each month in order to assist managing staff workloads.
- 5.2 The agreement does not commit the London Borough of Brent (as the Consortium's hosting Borough) to undertake any investigation or formal action against the perpetrators that it would not have done otherwise. Either party can terminate the agreement with 30 days written notice.
- 5.3 There is an online information resource for training members of staff provided by the National Trading Standards at no cost.

6.0 BACKGROUND INFORMATION

- 6.1 Any person wishing to obtain more information should contact Simon Legg, Senior Regulatory Service Manager, Regulatory Services, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ.

SIMON LEGG
SENIOR REGULATORY SERVICE MANAGER
020 8937 5522
simon.legg@brent.gov.uk

APPENDIX 1

DRAFT PRIORITY SERVICE LEVEL AGREEMENT WITH NATIONAL SCAMS TEAM

NATIONAL SCAMS TEAM PRIORITY RECEIVER SERVICE LEVEL AGREEMENT WITH BRENT AND HARROW TRADING STANDARDS

Brent and Harrow Trading Standards agrees to work in partnership with the National Scams Team (NTS) in respect of scam victims and the receiving of priority referrals from the NTS Team.

Brent and Harrow Trading Standards agrees to support the National Scams Team as determined by this Service Level Agreement.

Brent and Harrow Trading Standards Agrees to work in partnership with the NTS Scams Team and provide the structure and mechanism that will enable the NTS Scams Team to send referrals to them

NTS Scams Team Signatory	
Name of person signing (please print):	
Signed by:	
Position:	
Date:	

Brent and Harrow Trading Standards Service Signatory:	
Name of person signing (please print):	
Signed by:	
Position:	
Date:	

Glossary

For the purposes of this Protocol –

NATIONAL SCAMS TEAM (**NST**) means

East Sussex Trading Standards (ESTS)

East Sussex County Council (ESCC)

Brent and Harrow Contact Officer (Brent and Harrow CO).

PRIORITY referral- A referral received by the NST from certain sources (not to be divulged) where a person has been confirmed as responding to a scam.

Introduction

The NST Service Level Agreement (SLA) will define clearly the roles and responsibilities of **Brent and Harrow Trading Standards** and the NST in the support of the Scam Team.

Background

Each year mass marketing scams cause approximately £3.5 billion worth of detriment to UK consumers. In addition, the psychological impact of scams can seriously damage individual consumers trust in markets. Scams are often targeted specifically at vulnerable or disadvantaged consumers, such as those already in debt. These consumers can suffer disproportionate levels of harm as a result of mass marketed and other scams. Furthermore, mass marketing of scams continues to increase as technology allows greater pinpointing of potential victims. Research carried out in May 2009 by the University of Exeter School of Psychology for the OFT, found it significant how some victims kept their decision to respond to a scam private and avoided speaking about it with family members and friends. The research found that scams cause psychological, as well as financial, harm to victims.

According to the OFT a mass marketed scam is a “misleading or deceptive business practice where the person receives an unsolicited or uninvited contract (e.g. by letter, email, phone or advertisement) and false promises are made to con the victim out of money”. Each year 3.2 million adults fall victim to these scams.

Scams Team Aims

The aims of the team are to:

Reduce the impact of scams and consumer detriment in relation to mass marketing fraud within the UK

Through

- Effective partnership identify the silent victims of scams and facilitate an intervention for a consumer
- Devising an enforcement/disruption strategy with partners to tackle UK based companies/enablers, aiding, abetting or committing fraud or other offences.
- Securing partnership agreements with Trading Standards nationally to intervene with scam victims in their area. Encourage Trading Standards to work with their partners such as Adult Social Care or the Police to assist, educate and support scam victims
- Supporting Local Authorities in helping local victims and taking local enforcement action and provide guidance, best practice and establishing a centre of excellence in all areas (MMF).
- Collating all feedback and providing national statistics in relation to consumer detriment/savings and harm

Definition

The SLA will set the agreed content for securing the support from **Brent and Harrow Trading Standards**. It recognises that the NST has different forms of accountability and are answerable to a different range of stakeholders. But common to both **Brent and Harrow Trading Standards** and NST is the need for integrity, objectivity, accountability, openness, honesty and leadership. There is added value in working in partnership towards common aims and objectives, in this case ensuring that people are protected from scams locally, regionally and nationally.

Roles and Responsibilities

1. **Brent and Harrow Trading Standards** will designate and appoint a **Brent and Harrow Trading Standards** Contact Officer (Brent and Harrow CO).

Referral of Information/Intelligence to and from the NST Project Team

1. The NST will set up mechanisms to received referrals relating to **PRIORITY** scam victims from key partners. This information will then be recorded and passed to an identified local organisation for further action.
2. A designated secure email address will be provided by **Brent and Harrow Trading Standards** as well as Brent and HarrowCO to the NST. All referrals from the NST will be sent securely to this email address or/and discussed over the phone with the Brent and HarrowCO or an officer **Brent and Harrow Trading Standards** nominated to deal with the referral.
3. **Brent and Harrow Trading Standards** will then make steps to contact the consumer detailed in the PRIORITY referral and provide support where they can.

Brent and Harrow Trading Standards will not at this point be delaying with any other potential victims identified by the NST. Only the one's considered as a PRIORITY as detailed in glossary above.

4. **Brent and Harrow Trading Standards** will provide feedback on request at 4 and 26 week intervals after the NST has referred a possible scam victim to them where they will provide details on what steps they have taken to assist the consumer.
5. **Brent and Harrow Trading Standards** will endeavour to provide as much relevant information and intelligence as reasonably and practicably possible to the NST concerning any investigation being carried out within **Brent and Harrow** having regard to any statutory limitations/restrictions.
6. Information and intelligence will be provided by the Brent and Harrow CO to the Head of NST or a person designated by him/her.
7. NST and **Brent and Harrow Trading Standards** agree to process personal data only in accordance with the requirements of the Data Protection Act 1998 and to disclose information only in accordance with the requirements of the Enterprise Act 2002.
8. NST will be responsible for its responsibilities under the Data Protection Act 1998, the Freedom of Information Act 2000 and the Enterprise Act 2002.

Responsibilities and Actions of the Authorities

1. ESCC shall be liable for the actions and competence of the persons employed within the NST and shall ensure that the NST shall comply with all legislative requirements and take all reasonable steps to ensure any actions taken are lawful and within the spirit of the protocol.
2. **Brent and Harrow Trading Standards** shall be liable for the actions and competence of persons within its employ and shall take all reasonable steps to ensure the competence of those persons in carrying out their functions and that they comply with legislative requirements and the spirit of this protocol.
3. Information / intelligence provided between NST and **Brent and Harrow Trading Standards** shall be used for the purpose intended and shall not be divulged to third parties unless to do so would be lawful and in pursuant of an investigation / enquiry subject to this protocol.
4. NST and **Brent and Harrow Trading Standards** endorse a joined up working approach to the protection of scam victims. The partners will attempt to promote consistency in interventions and education. However, this protocol does not attempt to restrict the powers of authorised officers of the NST or **Brent and Harrow Trading Standards** from discharging their duties, as appropriate.

Commencement date: *tbc*

Consultation

The NST will undertake to consult with all stakeholders in relation to any changes made to the Scams Team at least 30 days prior to any proposed changes.

Termination

Either party issues written notice of termination 30 days prior to the end of any calendar month.

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