



**Resources & Public Realm  
Scrutiny Committee**  
9 January 2018

**Report from the Strategic Director  
of Regeneration & Environment**

## **Review of Trading Standards' Role and Priority Areas**

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not applicable
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
<b>No. of Appendices:</b>	Three: <ul style="list-style-type: none"><li>• Trading Standards Annual Report</li><li>• Trading Standards Priorities</li><li>• Trading Standards Departmental Objectives</li></ul>
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Simon Legg, Senior Service Manager Email: <a href="mailto:simon.legg@brent.gov.uk">simon.legg@brent.gov.uk</a> Tel: 0208 937 5522

### **1.0 Purpose of the Report**

- 1.1 The Resources & Public Realm Scrutiny Committee (the Committee) have requested a report to assist their understanding of the three following areas regarding the Council's Trading Standards Service:
1. Analysis on the role of Trading Standards in 2017
  2. Are we targeting the correct areas?
  3. What do the public want trading standards to do?
- 1.2 To further assist this process, Committee Members will meet a selection of frontline Trading Standards staff on 8 January 2018 ahead of their committee meeting, to provide some background to their work and give examples of current investigations and/or assignments. Members can ask questions and hear first-hand what sort of service is being delivered and how this seeks to benefit our local resident and business communities.

## **2.0 Recommendations**

- 2.1 Members of the Resources & Public Realm Scrutiny Committee are asked to note the contents of this report.

## **3.0 Detail**

### **Introducing the Service**

- 3.1 The Trading Standards Service (TS) has operated on a joint consortium basis between the London Borough of Brent and the London Borough of Harrow for over 50 years, with Brent being the host authority.
- 3.2 TS performs the statutory role of a ‘weights and measures authority’ with the responsibility of enforcing more than 250 pieces of legislation which cover a wide ranging remit. The legislation we have a duty to enforce continues to rise with law to ensure lettings and property management agents are transparent with their fees and the rules controlling standardised packaging for tobacco products being examples of the most recent additions.

### **Joint Advisory Board**

- 3.3 The consortium agreement between the two boroughs requires the Councils to operate a ‘Joint Advisory Board’ whose role is to advise the Service on the discharge of its duties, provide oversight and to consider papers reporting on the level of fees charged, budget options, the annual report and any other managerial reports concerning the provision of the Service.
- 3.4 The Joint Advisory board comprises of three elected members from each Council. The current Brent members include Councillor Jones, Councillor Long and Councillor Perrin and for Harrow Councillor Ferry, Councillor Mithani and Councillor Parmar.
- 3.5 The board is required to meet a minimum of three times per year, with the last meeting held on 23 November 2017.

### **Staffing**

- 3.6 The Service has a structure of 19 members of staff divided between the two boroughs. At present, the team has six vacant posts and one further officer absent on maternity leave making a current total of 12 staff.
- 3.7 Of these twelve staff, 3.5 work in the Harrow team, 4.5 work in the Brent team and the remaining 4 are two Financial Investigators, the Prosecutor and Service Manager. Whilst officers are allocated to specific Borough teams, they support each other with a flexible approach when demand requires larger staff numbers or if specific expertise is needed.
- 3.8 Our two Financial Investigators are engaged solely with financial investigations under the Proceeds of Crime Act 2002 and whilst qualified to carry out Trading Standards duties, do not do this routinely. The Service Prosecutor is responsible

for all the team's legal proceedings which we conduct ourselves. The Prosecutor is currently also covering a vacant Team Leader position whilst a Senior Enforcement Officer is acting up in the role of the second, vacant Team Leader position. These arrangements mean there is currently a total of seven frontline staff between the two Boroughs. The Service is managed by Simon Legg, who reports to Regeneration Operational Director, Aktar Choudhury.

- 3.9 The current levels of staff represent a significant decline over the last 10 years, demonstrated by comparison of staff numbers in 2007 where the Service employed a total of 34.
- 3.10 All enforcement staff, have either attained, or are studying a recognised formal Trading Standards qualification. Three members of staff hold a statutory weights and measures qualification and two have achieved Chartered Practitioner status demonstrating we have a qualified and highly competent workforce.

### **Annual Report**

- 3.11 The Consortium Agreement between the two Boroughs, requires the Service to produce an annual report to be presented to the Joint Advisory Board. A copy of the Service's last annual report is attached, referenced as Appendix A. This document will provide the Committee with an accurate summary of the range of work undertaken last financial year and some of our key achievements.
- 3.12 The Service delivered a mixed variety of work during the last financial year. This included completing over 80 written investigation reports, undertaking 14 prosecutions, issuing approximately 100 warning letters, providing more than 250 hours of primary authority advice (a service whereby businesses pay for our advice), responding to over 370 trader enquiries, conducting 260 underage test purchase visits and providing a financial investigation service not just internally, but also to other local authorities.

### **Other Successes**

- 3.13 We have seen a number of notable investigations conclude during 2017 with the Courts awarding custodial sentences demonstrating the seriousness and complexity of some of the cases we investigate.
- 3.14 Examples include an event day street trader who employed over 30 staff to sell illegal football programmes, being sentenced in April to 14 months in prison, suspended for two years. In June, the Director of a travel agency who conned thousands of pounds out of unsuspecting holiday makers selling non-existent flights was sentenced to 12 months in prison although he has since been released on appeal. In August a man operating online from a storage base in Alperton was given a six months suspended sentence and ordered to complete 180 hours of unpaid work, pay costs of £12,500 and a confiscation order of £19,674 for selling thousands of pounds worth of counterfeit toners, memory cards and mobile phone accessories. Another trader was fined £5,000 and given an 18 month suspended sentence after he was caught with more than 30,000 counterfeit souvenir sewn on patches.

- 3.15 Other achievements during the year have included organising various community events aimed at raising awareness of scams and doorstep crime. The last event in October, was delivered with Age UK where TS presented along with Councillor Butt and Councillor Hirani. Our role supporting vulnerable residents was quoted throughout the event by other partner agencies who addressed the audience.
- 3.16 The Service continues with its partnership agreements supporting the work of the National Trading Standards Illegal Money Lending and the Scam Teams. Both these areas of work support the Council's statutory duty to prevent financial abuse under the Care Act 2014 and we are members of each Borough's Local Safeguarding Adults Board.
- 3.17 The Service's Financial Investigators remain well respected securing over 70 confiscation orders since the team's creation, which has resulted in over £2.3m being paid back to local authorities via the Home Office incentivisation scheme. This has placed Brent Council as one of the highest performing local authorities in the whole of the UK for asset recovery.

### **Publicity and Public Relations**

- 3.18 The Service's successes are regularly featured in local and national press resulting in positive news stories for the Borough which frequently rank as the most read on the Council's website. We work closely with the Council's Communications Team issuing 16 TS press releases during 2017 and responding to numerous media enquiries. Three of our investigations have featured on BBC television this year during prime time viewing.
- 3.19 In September 2017, we took part in a London wide campaign organised via London Trading Standards (LTS) aimed at increasing awareness of TS work across the capital. The following themes were covered; underage sales of knives, letting agents, scams/doorstep crime, supporting business and product safety.
- 3.20 We scheduled daily activities relevant to these themes and publicised our actions locally on an individual basis, whilst LTS produced media coverage on a collective basis from all London authorities who took part. This campaign resulted in an impressive 17,000 views of the 13 Tweets posted on the Council's Twitter pages as well as additional coverage in a range of media outlets.
- 3.21 The Service engaged in other public relations events such as the London Illicit Tobacco Week and Scams Awareness Week. We have publicised awareness of illegal money lending, debt advice and designed publicity materials to alert business owners of the dangers of selling acid or other harmful chemicals in response to the rise in acid attacks across London.

### **Determining our Priorities**

- 3.22 The Service has to determine how best to undertake its duties within the allocated level of resources. We continually consider the balance between 'preventative' measures that reduce long term demands on the Service and avoid problems escalating into something bigger and 'reactive' measures, such as responding to service requests from consumers and businesses. These are often received from

members of the public who have exhausted all avenues of redress and are in desperate need for help, support, advice and if necessary rely on TS to take formal actions to bring about a resolution to their disputes.

- 3.23 In recent years, the Service has increased its offering to businesses to align itself with corporate priorities of each Council. We seek to ensure we offer effective regulatory advice so traders can operate their business understanding their legal responsibilities and providing them with confidence in the way they trade.
- 3.24 When determining the sort of work we should undertake, we strive to satisfy local, regional and national priorities as well as ensuring we meet as many statutory obligations as possible.

### **Local Priorities**

- 3.25 On a local basis, each Borough has a documented corporate plan setting out what they want to achieve. Brent has a 'Borough Plan 2015-2019' and Harrow an 'Ambition Plan 2020'. These plans highlight the broad subject areas listed below as priority areas for each Council:

Brent:<sup>1</sup>

- Better Lives
- Better Place
- Better Locally

Harrow:<sup>2</sup>

- Build a Better Harrow
- Be More Business-like and Business Friendly
- Protect the Most Vulnerable and Support Families

### **National Priorities**

- 3.26 In a wider setting, the National Trading Standards (NTS) funded by the Department for Business, Energy, & industrial Strategy, identifies priorities that apply to the Trading Standards profession across the country. These are researched by the national intelligence team who have expertise to identify and analyse country wide trends and emerging threats enabling targeted enforcement of problem areas.
- 3.27 Whilst there is no legal compulsion for us to have any regard to these priorities, being intelligence lead allows a specific focus on real time problems. Many of the subject areas they identify will be things that apply to our local communities so there is benefit aligning our work with their current priorities, which are summarised below.
  - Doorstep Crime – Safeguarding of vulnerable adults and consumers
  - Scams - disrupting and reducing consumers exposure to scams
  - Fair trading issues - reducing incidents of bad practices and their impact
  - E-crime - disrupting trading crime perpetrated on-line
  - Product Safety - improving intervention on unsafe products, including points

<sup>1</sup> <https://www.brent.gov.uk/media/14308131/brent-borough-plan-2015-2019.pdf>

<sup>2</sup> [http://www.harrow.gov.uk/download/downloads/id/8431/harrow\\_ambition\\_plan](http://www.harrow.gov.uk/download/downloads/id/8431/harrow_ambition_plan)

- of entry into England and Wales
- Illegal Money Lending – disrupting operations and reducing exposure to those most at risk
- Intellectual Property (counterfeiting) - disrupting operations and support partnership working

## **Regional Priorities**

- 3.28 A similar exercise is carried out regionally by London Trading Standards (LTS) who represent the 33 local authority Trading Standards Services across London. A regional intelligence officer looks at areas or business sectors causing a high amount of consumer detriment across London and produces quarterly reports of this information in a document called a 'Tactical Assessment'.
- 3.29 This document also features 'horizon scanning' to help predict what people might be complaining about before it happens, so preventative work could be scheduled. LTS has highlighted the following priority areas of work for its members:
- Doorstep Crime and Mass Marketing Fraud
  - Fair Trading – focusing on sales of second-hand cars
  - Intellectual Property Crime (counterfeiting)
  - Product Safety
  - Sales of age-restricted goods in the informal economy
- 3.30 It should also be noted that work identified nationally or regionally as a priority, can also provide sources of external funding or resource on occasions. For example, the NTS Regional Investigation Team seconded an officer for the majority of 2017 to assist us investigating a cross border scam involving a rogue kitchen fitting company and we are currently bidding for funding to assist with the investigation of a second hand car trader who we have received complaints about.

## **Annual Work Plan**

- 3.31 Each year, in accordance with the consortium agreement, the Service produces an annual work plan which provides an estimated number and type of activities to be achieved during the financial year. The Lead Member, Senior Management and Harrow's Commissioning Officer and Head of Service are given the opportunity to contribute and are consulted over the report's contents before it is presented to the Joint Advisory Board.
- 3.32 This can be very challenging with current levels of resource, especially with the need to carry out statutory functions which may not fit into the above local, regional or national priorities. A report was presented in October 2016 to the Joint Advisory Board for discussion titled 'Trading Standards Priorities' to engage with members to see what areas of our work they wanted the Service to focus on.
- 3.33 Appendix B, shows our current, high, medium and low priority areas of work, taken from our annual work plan.
- 3.34 In addition to our annual work plan, we have some specific responsibilities detailed in our departmental service plan which sets out how Regeneration and

Environment will contribute to the delivery of Borough's priorities. These objectives are detailed in Appendix C.

## **Service Requests**

- 3.35 During 2017, the Service received approximately 5,500 service requests from members of the public or local businesses. As is typical with most Trading Standards authorities across the country, we work in partnership with the Government funded Citizens Advice Consumer Service (CACS) who act as our first point of contact with member of the public.
- 3.36 CACS provide specialist first tier advice which includes civil law, (a task highly valued by members of the public that there is no legal requirement for Trading Standards to provide).
- 3.37 CACS record all the relevant contact details and take case notes which are then electronically distributed to the relevant Trading Standards authorities and downloaded daily. Information is passed to us as a 'referral' which usually means there is a breach of criminal Trading Standards enforced legislation, or as a 'notification' which is where the data is for our information only.
- 3.38 Whilst there is no requirement for us to do anything with these notifications, they are reviewed so that we know which businesses are a source of complaint and why, or to double check information as we have access and may know more about a business or subject areas and hold local intelligence that suggests our intervention is necessary.
- 3.39 The first tier advice provided by CACS ensures all members of the public receive reliable guidance and access to help from the CACS website which contains template letters etc. Where a member of the public needs help from a different source such as an energy regulator, the police or a financial authority for example, CACS can make sure they are correctly directed.
- 3.40 There are occasions where members of the public misunderstand the role or remit of Trading Standards or have unrealistic expectations. We can't act in civil disputes or 'close businesses down' as is sometimes incorrectly implied. Unfortunately on occasions, businesses provide goods or services that fall below customer expectations yet still meet legal requirements or the circumstances do not fall foul of any criminal laws which would allow us to investigate.
- 3.41 Whilst we do investigate some 'fraudulent' businesses, there are no powers available to us under the Fraud Act or any statutory responsibility to enforce this legislation so in cases where there is fraudulent activity, but no breach of other Trading Standards legislation which might otherwise give us some enforcement powers, there is often little that we can do to investigate.
- 3.42 In other circumstances, we might not be able to assist a consumer based on their evidence alone, especially if they have only limited reliable evidence. However, if their experience is added to that of others who we may know about to evidence a regular pattern of wrong doing for example, this may give grounds for Trading Standards to then act.

- 3.43 It is important to note that with our current levels of resource, it would be impossible for us to individually investigate each and every allegation reported to us. Instead, TS need to apply some form of filtering to its incoming service requests to manage and prioritise this demand.
- 3.44 Accordingly, the Service operates a matrix system where service requests sent to us by CACS as referrals, are assessed by an experienced officer and given a risk rating. This takes into account the available evidence, the seriousness of the matter, the impact and risk of the allegation, a business's previous trading history, the alleged financial gain and any publicity that may arise from the case.
- 3.45 All high priority cases will be assigned to an officer for further investigation, medium risk cases may or may not be assigned for investigation and generally, low risk cases will not receive any investigation time. This matrix system does not apply to service requests received from businesses. They all get responded to no matter what the content to assist the Council's objective of supporting the local business economy.
- 3.46 At the time of writing this report, approximately 850 service requests, received during 2017, have been investigated by our Officers.

#### **4.0 Financial Implications**

- 4.1 The gross cost of the TS Service is £1,362,710 although with a total income projection of £1,049,000, the net cost of is £313,710. The London Borough of Harrow pays £625,000 p/a for their proportion of the budget.
- 4.2 The Service is currently forecasting a year end underspend which is largely attributed to the savings achieved from vacant posts.

#### **5.0 Legal Implications**

- 5.1 There are no legal implications arising from this report.

#### **6.0 Equality Implications**

- 6.1 The contents of this report have been screened to assess their relevance to equality and were found to have no equality implications.

#### **7.0 Consultation with Ward Members and Stakeholders**

- 7.1 Individual Ward Members do not need to be consulted about this report.

#### **8.0 Human Resources/Property Implications**

- 8.1 There are no staffing or property implications arising from this report.

**Report sign off:**

**Amar Dave**

Strategic Director of Regeneration & Environment