

### Open Report on behalf of Les Britzman, Chief Fire Officer

Report to:	<b>Public Protection and Communities Scrutiny Committee</b>
Date:	<b>17 September 2019</b>
Subject:	<b>Trading Standards Impacts and Outcomes Framework</b>

#### Summary:

This report provides a review of the delivery of Trading Standards Services in Lincolnshire for the financial year 2018-19.

#### Actions Required:

Members of the Committee are invited to consider and comment on the contents of this report and the delivery of Trading Standards Services for the financial year 2018-2019.

## 1. Background

- 1.1 The Trading Standards Service has a key role to play in enhancing the economy for legitimate businesses and safeguarding the financial interests of the residents of Lincolnshire, particularly the vulnerable, at greatest risk from unfair trading methods employed by organised criminals and unscrupulous businesses. Through effective use of resources to meet statutory obligations the service endeavours to ensure that businesses based and operating in the County are legally compliant and deliver quality goods and services. In doing so Trading Standards seek to achieve a level playing field for businesses based on fair competition and customer confidence both of which are crucial to promoting economic growth in our local economy.
- 1.2 The Trading Standards Service exists to fulfil the Authority's statutory responsibilities to deliver consumer protection for the residents of Lincolnshire. It has duties and powers in over 124 Acts of parliament and over a 1000 regulations.
- 1.3 In delivering the service the aim is to be responsive to the needs of those consumers, communities and businesses. The service continues to work closely with partner agencies and stakeholders to add value to services

provided and support corporate aims and values where there is benefit for local communities.

## 2. Strategic Priorities 2016-2019

2.1 Through a process of strategic assessment the Trading Standards Service identified the following strategic priorities areas to be addressed:

2.2 **Objective 1 Tackle Detriment and Reduce Harm:** We will develop our use of intelligence to scan and test the market place and tackle those organised criminal networks and unscrupulous businesses who deliberately, repeatedly or recklessly engage in fraudulent trading practices that harm the interests of consumers and legitimate businesses. Whilst rogue trading can occur in any trade sector we have identified the following that specifically impact our local communities:

- Doorstep Crime and Scams;
- Cybercrime;
- Illicit Tobacco;
- Product Safety ;
- Second-hand Car Sales;
- Intellectual Property, and
- Food Fraud.

2.3 **Objective 2 Support the Local Economy:** We will support economic growth by helping businesses to comply with their legal responsibilities and enhancing public protection through delivery of our chargeable business advice services and through increasing the number of our business partnerships.

2.4 **Objective 3 Promote Health and Wellbeing:** We will engage with the public, communities, businesses and partners to increase resilience and safeguard the vulnerable against scams, rogue trading and unfair business practices.

2.5 **Objective 4 Develop our Officers:** We will develop our Officers to maximise resilience and flexibility in delivering services.

2.6 **Objective 5 Manage our Intelligence and Data:** We will ensure we are legally compliant, and making best use of the information we hold

2.7 To meet these objectives the Service has needed to prioritise work in these areas. Other trading standards functions are considered low priority and will be resourced only in exceptional circumstances. These include:

- 2.7.1 The provision of civil law advice to resolve a breach of contract unless the customer is considered vulnerable when our response will be limited to assistance writing a letter before action. All Lincolnshire consumers can access free and impartial advice from the national Consumer Helpline operated by Citizens advice by professionally staffed call centres.
- 2.7.2 Responding to individual complaints alleging a breach of criminal law unless there is evidence of serious safety or animal welfare concerns, high value fraud or there is an immediate need to secure evidence.
- 2.7.3 Programmed inspection medium and low risk at premises unless in response to a serious complaint, they are identified through analysis of intelligence as presenting an immediate risk or they are included in a market surveillance project.
- 2.7.4 Programmed inspection at high risk premises only if identified through intelligence and included in the annual inspection plan, in response to a serious complaint, they are identified through intelligence as presenting an immediate risk or they are included in a market surveillance project.
- 2.7.5 Minimal food, feed or product sampling to confirm compliance with legislation or standards.
- 2.7.6 Inspection of weighing and measuring equipment in use for trade unless a risk is identified through intelligence.
- 2.7.7 Business advice beyond that which can be provided in one hour unless under the chargeable services pay as you go or primary authority.
- 2.7.8 Requests to give presentations to local groups and meetings unless they are considered to be vulnerable and the presentation provided addresses their vulnerability.
- 2.7.9 Routine inspection of livestock markets and fairs other than monthly attendance at Louth livestock market

### **3. Outcomes and activity against the objectives in 2018/19**

#### **3.1 Objective 1: Tackling Detriment and Preventing Harm**

- 3.2 In 2018/19 Trading Standards prosecuted 20 Defendants for a range of offences in respect of acquiring criminal property, wholesale supply of illicit tobacco, perverting the course of justice, supplying an unsafe motor car, supplying an unsafe remote control helicopter, manufacturing and supplying unsafe bunk beds for children, toy safety, cosmetic product safety and

counterfeiting. In total defendants were sentenced to 78 months imprisonment with a further 112 weeks suspended, fined £2242 and ordered to complete 1670 hours of unpaid work. The courts also required them to make a contribution towards prosecution costs of £45,396.

- 3.3 A further 5 investigations resulted in Offenders accepting simple cautions. These are only issued where there is an admission of guilt and steps have been taken to reduce the risk of further offending. These cautions can be used to evidence previous offending if convicted in the future.
- 3.4 Illicit Alcohol was found in 4 premises in 2018/19 and in total 33,676 litres was seized with an estimated value of £23,390 to the retailer. The majority of this alcohol was non-duty paid.
- 3.5 In 2018/19 74,123 packets of illicit cigarettes and 15,397 50g packets of hand rolling tobacco were seized from 24 premises. The value to the retailer is estimated as £259,430 and £69,286, considerably less than the value in excise duty payable to the Treasury for the legitimate tobacco products
- 3.6 The Service removed 2972 unsafe products from the market place, including toys, cosmetics and children's fancy dress costumes.
- 3.7 The Trading Standards Service supports local businesses by removing counterfeit goods from the market. Counterfeit goods harm the interests of those legitimate traders selling genuine products, deny the Treasury revenue in taxation and damage investment by companies whose brands are being copied. The Trading Standards Service removed 2071 counterfeit items from the market place in 2018/19.
- 3.8 The Service took 86 programmed food samples and of which 12 were found to be unsatisfactory. 4 food businesses were found to be operating in breach of food standards legislation.

#### **4. Objective 2: Supporting the Local Economy**

- 4.1 Trading Standards responded to 153 requests for advice directly from local businesses. Basic advice is provided free of charge, usually through signposting or the provision of guidance. In-depth advice is provided on a pay as you go basis and is bespoke to the business.
- 4.2 Those businesses wanting regular assured advice are offered the option of entering into a Primary Authority partnership agreement. Trading Standards has currently entered into 13 such agreements and provided 222 hours of advice in 2018/19. Again the Service charges for advice on a cost recovery basis and ensures that a named contact officer is assigned to the business.
- 4.3 Trading Standards also completed a program of inspections. In total 416 premises were inspected and found to be compliant or were brought into compliance during the course of the visit. A further 76 inspection were found to be noncompliant and requiring some remedial action, of which 54 were

deemed to be compliant within the year. In total 73% of businesses visited were found to be compliant or were brought into compliance during the 2018/19 financial year.

- 4.4 The Trading Standards Service undertakes a monthly tasking process that includes a review of those businesses generating the most complaints from local residents. Through this process the Service has reviewed the trading practices of 114 businesses and tasked 42 of those for further action ranging from the provision of advice to full investigation.

## **5. Objective 3: Safeguarding Vulnerable Consumers**

- 5.1 The service identified a further 22 victims in 2018/19 bringing the total number since the project commenced in 2015 to 2414. Working with the Neighborhood Policing Teams 446 visits were made to victims bringing the total number of interventions to 1266. We estimate that these 446 interventions resulted in victims saving £200,800 that would have potentially been sent to those promoting the scam. Since Trading Standards began working with victims we estimate that £929,033 has been saved.

- 5.2 The Trading Standards Service produces an annual inspection plan to undertake test purchases of age restricted products. The plan is based upon intelligence as far as possible and includes revisits where appropriate.

- 5.3 In total 74 premises were tested for sales of alcohol with a failure rate of 12.2%, 72 were tested for tobacco with a failure rate of 2.8%.

## **6. Objective 4: Developing Our Officers**

- 6.1 The Trading Standards Service was delivered by 27.8 FTE, 24.8 FTE resourced from the revenue budget and the remainder from income generated by the service. This equates to approximately 3.3 FTE per 100,000 head of population or 0.76 FTE per 1000 PAYE businesses in Lincolnshire. They were supported by 3.5 members of Business Support attached to Safer Communities.

- 6.2 The majority of our Trading Standards Officers are accredited as Trading Standards Practitioners by the Chartered Trading Standards Institute. To retain Practitioner status Officers must complete a minimum of 20 hours CPD training annually.

## **7. Objective 5: Managing Our Intelligence and Data**

- 7.1 The Trading Standards Service received 4593 notification and 1932 referrals from the Citizens Advice Consumer Helpline in this period. The total detriment identified in those records was £161,169. The notifications contain details of all contacts where contractual advice was given to a consumer or business in Lincolnshire. Referrals contain details of all contacts where there is an alleged criminal offence involving a consumer or business in Lincolnshire. In addition a further 691 from the Police or other service partners, 116 from intelligence reports, and 290 from other sources including local businesses.

7.2 All of these contacts were reviewed by the Service on receipt and assessed in line with Service objectives and the National Trading Standards Intelligence Operating Model, a national intelligence framework developed by the National Trading Standards Board to support them in their response to national and regional enforcement needs and local Trading Standards Services in their day to day work by:

- Identifying and understanding threats or problems;
- Increasing expertise in dealing with problems effectively;
- Providing clear and consistent tasking;
- Taking evidence based decisions, and
- Adopting a problem solving approach.

7.3 In adopting this model the Trading Standards Service produced an annual service plan linked to corporate objectives and driven by intelligence, problem profiles and priorities.

7.4 The Service carried out regular, scheduled monthly tasking meetings and created a monthly tactical assessment that was used to drive and monitor operational activity.

7.5 The Trading Standards Service had a dedicated intelligence team that produce a range of intelligence products. All staff are trained to use and had access to an intelligence recording system.

7.6 The Trading Standards Service holds information sharing agreements with all partners with whom intelligence was being shared.

## **8. Balancing the Budget**

8.1 The Trading Standards Service revenue budget for 2018/19 was £1,290,134. The Service generated an additional £208,641 income equating to 16.2% of revenue budget. This income was derived from the following:

• Metrology Services	£ 3053
• Licensing activities	£ 7,802
• Primary Authority	£ 13,650
• Business Advice	£ 7,254
• National Trading Standards Grants	£171,025
• Public Health	£ 50,000
• Other Sources	£ 9,148

8.2 National Trading Standards grants were provided in respect of feed hygiene inspections commissioned by the Food Standards Agency and to support the service in undertaking a serious fraud investigation involving several defendants with offences committed across the south east of England.

8.3 Public Health commissioned Trading Standards to undertake enforcement activities to reduce the availability of illicit tobacco to adults and young children. The Department of Health provided funding to undertake work to check compliance with regulations in respect of nicotine inhaling products and MHCLG following the introduction of legislation regarding Tenant's Fees.

## **9. Conclusion**

9.1 The Trading Standards Service has implemented measures to ensure that resources are deployed effectively to meet the demands of Lincolnshire residents and businesses and our partners. By taking the decision to cease or reduce activities in areas presenting a low risk, and the adoption of intelligence led working practices the Service has delivered effective enforcement to address serious noncompliance and support vulnerable consumers and legitimate businesses.

## **10. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

Not Applicable

### **b) Risks and Impact Analysis**

Not Applicable

## **11. Background Papers**

11.1 No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

11.2 This report was written by Mark Keal, who can be contacted on 01522 550820 or [mark.keal@lincolnshire.gov.uk](mailto:mark.keal@lincolnshire.gov.uk)

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