

SURREY COUNTY COUNCIL

RESIDENT EXPERIENCE BOARD

DATE: 13TH JANUARY 2016

**LEAD OFFICER: STEVE RUDDY
HEAD OF TRADING STANDARDS**

**SUBJECT: THE NEW JOINT TRADING STANDARDS SERVICE
UPDATE ON PROGRESS**

SUMMARY OF ISSUE:

The new Joint Trading Standards Service for Buckinghamshire and Surrey was launched on 1st April 2015.

The new service is providing an improved service for residents and businesses in both counties whilst at the same time making efficiency savings and increasing income generation.

This report summarises the progress made in the first eight months of the new service. It invites the Board to note the progress, and to identify any issues which they would want to explore in more detail at future meetings.

The new service has been created against a challenging context nationally where the pressures faced by Trading Standards, and reduced resources, have resulted in three national reviews being launched looking at how the service should be delivered and what its priorities should be. The report provides an update on those reviews.

RECOMMENDATIONS:

It is recommended that:

1. The Residents Experience Board note this report and identify any issues they would like to consider in more detail at future meetings.

REASON FOR RECOMMENDATIONS:

The Resident Experience Board has a responsibility to oversee a range of service areas including Trading Standards. The Board has previously asked for an update on progress with the new shared Buckinghamshire and Surrey Trading Standards service.

DETAILS:

1.0 BACKGROUND

1.1 The Trading Standards service exists to:

- Protect individuals, communities and businesses from harm and financial loss,
- Help businesses to thrive by maintaining a fair trading environment,
- Improve the health and wellbeing of people and communities, and
- Fulfil the council's statutory responsibilities to deliver consumer and public protection services.

1.2 The new joint service was created and designed to:

- provide a better quality service to consumers, businesses and our partners,
- build on the strengths and successes of the previous two teams
- provide additional expertise and capacity to create a stronger, more resilient service,
- have a greater impact and influence locally, regionally and nationally,
- reduce our delivery costs, offering better value for money, and
- be more innovative in developing new services and protecting residents.

1.3 A growing service challenge is tackling organised cross border crime, rogue traders, scams and the growth of internet enabled crime. Increasingly, consumer crime, rogue traders, and scams, are cross border problems. A rogue trader doesn't just operate in one area. A scam targets the most vulnerable not a locality. Internet crime isn't geographically limited. A larger shared service provides the scale, capacity, competence and the range of expertise required to more effectively tackle such issues and offer better protection to residents.

1.4 Previously both Buckinghamshire and Surrey Trading Standards services have made significant budget savings, In Surrey the implementation of the Public Value Review of Trading Standards delivered service improvements and savings of 20%. Further savings were made in 2013/14 and the Medium Term Financial Plan required further savings of 12% in the period 14/15 to 18/19. The creation of the shared service enhances service resilience and enables the required savings to be made without damaging front line services, and without reducing the vital protection afforded to residents

1.5 The joint service was launched in 1st April 2015 and hence is still very new. The transition to the new service was successful despite some initial IT connectivity issues with BT Openreach. The service staff are all now employed by Surrey County Council (23 staff transferring from Buckinghamshire to Surrey in April 2015) and remain based in Redhill and Aylesbury, ensuring a strong local presence in each county.

- 1.6 The service is overseen by a newly created Joint Committee comprising the Portfolio Holders from both local authorities and their two deputies. From Surrey the joint Committee Members are Cllr Richard Walsh and Cllr Kay Hammond.
- 1.7 The Business Case, including anticipated benefits from the creation of the shared service, was agreed by the Cabinet's in both Surrey CC and Buckinghamshire CC in October 2014.
- 1.8 An Inter Authority Agreement sets the legal framework for the partnership and the proportions of contributions to the budget from each partner. The business case includes the budget for the Service in 2015/16 and for the following 3 years. It sets out a range of anticipated service benefits, cost reductions, and areas where income will be increased.
- 1.9 The creation of the new shared service has enabled us to achieve the required savings (as set out in the Medium Term Financial Plan) without any damaging impact on service delivery and without reducing protection for Surrey residents. It also puts the service in a stronger position to face future challenges.

2.0 VISION

The Vision for the shared service is as follows:

“Buckinghamshire and Surrey Trading Standards working together to protect our communities, delivering excellent public services, locally trusted and nationally recognised.”

3.0 PRIORITIES

3.1 The new service priorities, agreed by both Cabinets are:

- **Protection: protecting individuals, communities and businesses from harm and financial loss**
- **Economic Prosperity: Helping businesses to thrive and supporting growth**
- **Improving Health and Wellbeing**
- **Innovation**
- **Customer Focus / Resident Experience**

3.2. Protection

3.2.1 This is a central priority for the new service. In April the new Joint Committee agreed a new joint Enforcement and Investigation policy. The vulnerability and impact on victims is a key consideration in determining which cases require further investigation by the service. There have been several major prosecution cases in the first few months of the service and the investigation

case load continues to increase. Doorstep crime and scams continue to be an issue of major concern.

- 3.2.2 We have taken an active part in the national Scams Awareness month and are working closely with the national Scams Hub team with one of our officers seconded to that team. We receive priority referrals from the national team and officers visit scam victims to provide support to residents. In appropriate cases we can arrange for telephone call blockers to be installed in homes to stop incoming scam calls and to provide us with information and intelligence on their source.
- 3.2.3 Examples of successful cases concluded in the last 8 months include:
The case a serial rogue trader who targeted elderly and vulnerable residents across Surrey and defrauded them of over £100,000 was sentenced to three years imprisonment for fraud and money laundering. He charged extortionate sums for repairs to roofs and drains. He preyed on elderly people, using lies and emotional blackmail to gain their sympathy, and even drove some victims to the bank to ensure they withdrew funds. At least nine victims were conned out of £104,000, including an 89-year-old war veteran who was cheated out of more than £42,000 making him overdrawn for the first time in his life.
- 3.2.4 In another case an Epsom based landscape gardener who preyed on elderly and vulnerable victims who were unable to look after their own gardens was convicted of several fraud and money laundering offences and sentenced to three and a half years imprisonment. Customers complained that queries about price or the standard of work led to threats, verbal abuse and aggression. In one case, a woman in her 90s was charged £24,500 for work worth only £400. In another case, a man was charged £17,000 for work valued at £200. In total, in relation to 8 different cases, over £665,000 was defrauded from elderly and vulnerable victims.
- 3.2.4 In another case a Surrey based importer of fake DVDs, who ignored several warning to stop importing fakes from China, conning customers, undermining legitimate local businesses, and defrauding HMRC, was convicted and jailed. As well as a prison sentence he has been ordered to pay £500,000 under Proceeds of Crime legislation, and his assets are restrained by the courts until he does so.
- 3.2.5 One case in particular demonstrated how the service protects the most vulnerable. A designer, importer and retailer of a highly dangerous cot-bed was convicted of consumer safety offences after two extremely close near misses where young children were very nearly killed by the potentially deadly cot-bed.
- 3.2.6 The shared service, working closely with the Communications teams in both local authorities, has helped maximise the impact and coverage of these cases, and others. They have generated significantly more coverage than would have been the case for either service operating alone.
- 3.2.7 The new service, through combining legal and investigative resources and expertise is enhancing our ability to tackle consumer problems and rogue traders.

3.3 Economic Prosperity

- 3.3.1 The new shared service has also continued to enhance the services we are providing for our businesses. All our business services are available across Surrey and Buckinghamshire.
- 3.3.2 Our Primary Authority Partnerships with businesses such as British Gas, Toyota, Shell, Esso, Toshiba, Dairy Crest, Premier Foods etc continue to grow. Several of these are with trade associations ensuring we are also supporting small businesses. The partnership with the Association of Convenience Stores alone enables assured advice to be provided to 30,000 businesses.
- 3.3.3 Being in a Primary Authority Partnership helps business manage relationships with hundreds of regulators and local authorities across the UK. It simplifies the regulatory process, reducing the burden on businesses and cutting the cost of compliance. Therefore it provides businesses with an assurance of consistency and greater confidence.
- 3.3.4 Our innovative approach also enables the service to be the single point of contact for businesses seeking advice on a wide range of issues including Trading Standards, Health and Safety, Environmental Health and Fire Safety. Our business focused approach has helped see this area of work grow from 42 partnerships to 73 in the last 8 months, with more on the way.
- 3.3.5 Several major businesses, such as Waitrose and Pfizer, have chosen to work with the service rather than other providers specifically because of strengths of the new shared service.
- 3.3.6 The service offers regulatory advice to all Surrey businesses. The first half an hour is free and after that it becomes chargeable. Almost 800 Surrey businesses have registered with us for our advice service.



3.3 Improving Health and Wellbeing

- 3.4.1 We are working in partnership with the Public Health teams in both authorities on a range of initiatives. The Eat Out Eat Well award for restaurants and caterers who offer healthier options, continues to grow and we now have 237 Surrey businesses with the award. The scheme is operated in partnership with local District and Borough Environmental Health teams and it rewards caterers who make it easier for their customers to make healthy choices when eating out.
- 3.4.2 The service is responsible for enforcing food standards (not hygiene issues) for example the labelling, advertising and quality of food to ensure consumers are not misled. We have agreed a new joint Food Plan for the service which brings together the resources and expertise from both counties to focus on tackling issues of highest risk.

- 3.4.3 We have worked in both counties to successfully tackle retailers of Novel Psychoactive Substances (“legal highs”). Despite the difficulties in applying the legislation, and in advance of the new legal ban, we have successfully disrupted the local supply from the known retail premises in both counties, effectively stopping retailers selling these unsafe products. This included three Surrey retailers, one in Ashford and two in Guildford. In November this culminated in Guildford magistrates ordering the forfeiture and destruction of product seized earlier in the year. The service has also highlighted the dangers of NPS through education initiatives, with partners, aimed at colleges and universities in Buckinghamshire and Surrey.
- 3.4.4 We continue to tackle problems of illegal sales of alcohol and tobacco to young people and to tackle the supply of illicit tobacco, utilising sniffer dogs in both counties to identify and seize illegal tobacco.
- 3.4.5 The service has also been active in other areas where vulnerable people may be susceptible to manipulation or fraud. In one example where there was information that a product was being sold as a miracle cure for Cancer (as well as Ebola, HIV, Malaria and Autism) the Service took immediate action to ensure that potential victims were alerted and that a potentially unsafe product could not be sold in Surrey.
- 3.4.6 Most recently the service has been active in tackling the importation and supply of potentially dangerous products including “hoverboards”. This has included offering advice and information to Surrey businesses on how to ensure their products were safe, and also impounding unsafe imports at Heathrow.

3.5 Innovation

- 3.5.1 By bringing together our legal functions we have improved and streamlined our legal work enabling us to speed up cases and to reduce costs by working together.
- 3.5.2 By working with a private sector partner (Checktrade) we have rapidly expanded the number of business who are Trading Standards approved. This enables residents to easily find reputable traders in their area. The new approach involves the service undertaking additional enhanced checks for potential Checktrade members (the service recovers the cost of carrying out the additional checks). Under our previous scheme we reached a maximum of 450 Trading Standards approved traders in Surrey after many years of operation and growth had stalled. **Our new partnership already has over 1,300 Trading Standards approved Surrey based businesses.** Over time we expect this to continue to grow to a total of 2,500. This will help increase awareness and choice for residents, and help us improve compliance with a much higher number of businesses, all at no cost to the Council or to residents.
- 3.5.3 Building upon the Volunteer scheme already in place in Buckinghamshire (with 53 volunteers) the joint service has continued to develop the use and engagement of volunteers in to help protect residents. In Surrey volunteer numbers are now growing and include a diverse range of activities from helping to prevent scam mail to supporting a local community group to develop a lorry watch initiative. We have also provided training to groups such



as Age UK Volunteers, Victim Support Volunteers and Surrey Independent Living Council.

3.6 Customer Focus / Resident Wellbeing

- 3.6.1 The service receives most of its customer demand from notifications and referrals from the Citizens Advice Consumer Service. Their helpline is delivered from several regional contact centres and is funded by central Government to provide advice to people about any consumer issue. Information is then passed to local authority Trading Standards services, usually on an information only basis. The service then reviews the incoming demand. Intervention is focused on those issues that affect the most vulnerable residents, those that cause the most overall consumer detriment, or that relate to safety issues. The service is only able to investigate a small percentage of incoming demand issues.
- 3.6.2 By bringing together both services has enabled us to look in more detail at a higher number of complaints and, in about a third of those cases, to resolve an issue for the resident or business before it becomes a more complex investigation. This triage approach ensures a greater focus on the needs of residents and ensures that we understand the issue, how it relates to the Services priorities and what we can do about it before it reaches our complex investigation teams. Using this approach allows us to prioritise issues affecting the most vulnerable people and causing the most resident detriment or harm.
- 3.6.3 If Members would like to see how incoming demand is dealt with in more detail they are invited to visit the small team which handles this incoming resident demand for the joint service. The team is based in Aylesbury.
- 3.6.4 Positive media coverage of our work helps raise resident awareness and helps in preventing problems. We have continued to have a high level of media, with local, national and international coverage since April covering press, social media, radio and TV. We have also increased the reach of our preventative work. The TS Alert average distribution has increased to around 2,500 subscribers. Facebook likes have increased from 463 to 619; Twitter followers have increased from 2821 to 3016.
- 3.6.5 In addition to investigating crimes which have occurred, the Service uses a number of initiatives to prevent victimisation and re-victimisation by rogue traders. These include the use of door stickers and overt CCTV cameras at the doorstep. We are also developing the use of “cocooning” packs to reduce the opportunity for rogue traders to target multiple households in a close area.
- 3.6.6 Our new scams awareness sticker packs, produced in partnership with Surrey Police and Crime Commissioner, supplement our previous doorstep crime sticker packs and are widely distributed in both counties. Over 100,000 packs have been printed and distributed across the county.
- 3.6.7 Our use of Accredited Financial Investigators and Proceeds of Crime legislation means we can recoup money to help compensate victims of crime. Working together as part of a larger specialist team has enhanced our capacity in this area and hence our impact. The most recent success has been the court order in December 2015 requiring a Surrey based rogue trader

to repay 10 Surrey residents a total of £114,000. This is particularly significant as many of the victims are elderly and vulnerable.

- 3.6.8 The joint service is committed to ensuring a continued strong local presence and delivery. Specific named officers have a responsibility for liaison with particular Districts and Boroughs. Local update reports are programmed for Local Committees to help ensure that local link is maintained. Those reports focus even more on the local issues of concern.

4.0 DELIVERING THE BUSINESS CASE BENEFITS INTO THE FUTURE

- 4.1.1 Financial Savings from the creation of the shared service are well on track to be delivered. Current projections are that we are likely to exceed our income projections for the year (primarily from growth of service provision to businesses). The service is well placed to ensure it delivers the benefits detailed in the business case over the next few years.
- 4.1.2 We are working to enhance the service locally, and the profession more widely, by making a strong commitment to training. The shared service has been able to create additional trainee posts (where the individual is undertaking professional qualifications) We are also working to develop an innovative Trading Standards specific apprenticeship. (In the past the closest linked apprenticeship NVQ's have been Business & Administration or Customer Services).
- 4.1.3 The service is now considering the scope to expand further. This could be from delivery services for other local authorities or through adding a new partner to our shared service to further strengthen the service.

5.0 NATIONAL SCRUTINY OF THE DELIVERY OF TRADING STANDARDS

- 5.1 Whilst we have been creating our new joint service there have been a range of developments nationally.
- 5.2 In June the Chartered Trading Standards Institute published a vision for the future of Trading Standards. The vision identified a range of problems with the delivery of trading standards services, including a postcode lottery of provision, arguing that nationally the current model of delivery was broken following significant cuts to trading standards and called on government to commission detailed work on the future of the service including reviewing the model for the delivery of Trading Standards services.
- 5.3 In June the Chancellor's Productivity Plan was published immediately after the Budget. In that he announced a review of Trading Standards "to ensure that consumer enforcement capability effectively supports competition and better regulation objectives". The review, being led by BIS will consider efficiency and financial sustainability for Trading Standards. It aims to better define the Governments expectations of Trading Standards. It will examine Trading Standards ability to meet the demands placed on it by central and local government and what could help its delivery and impact, including delivery models and the scope for better regulation.

- 5.4 In July the Local Government Association (LGA) announced their own review to examine the future of Trading Standards. The objectives of the LGA review are:

“On the basis of political and senior managerial input from across local government, analyse what local government needs from its trading standards service, with reference to both the current state of the service in England and what it can be reasonably be expected to deliver in the context of further funding reductions.

Subsequently explore and assess the options for the future of the service, with a view to outlining a series of recommended next steps to further explore and take forward.”

- 5.5 The National Audit Office (NAO) will also be undertaking a review of the wider consumer protection landscape and will report in mid 2016.
- 5.6 Both the BIS and LGA Reviews are gathering evidence now and are expected to report very shortly.
- 5.7 Yvonne Rees, Strategic Director for Customers and Communities at SCC has been appointed as a member of the Stakeholder Panel as part of the LGA review.
- 5.8 The Joint Committee responded to the current consultation on the future of Trading Standards and a copy of that submission is attached as Annex 1.
- 5.9 The reviews may well have reported by the date of the Board meeting in which case a verbal update can be provided.

CONSULTATION:

Many of the issues and the progress made have previously been reported to the Joint Committee in October 2015.

RISK MANAGEMENT AND IMPLICATIONS:

The Inter Authority Agreement for the shared service deals with risk management issues and there are no additional risk management issues arising from this report.

Financial and Value for Money Implications

The Joint Service is on target to deliver the financial benefits set out and agreed in the business case.

Legal Implications

The Inter-Authority Agreement completed by Buckinghamshire and Surrey County Councils prior to the launch of the Service in April provides the legal framework within which the Service is operating. This is working effectively and there is no current need to amend this in any way. Managers in the Service will continue to keep this under review.

The report makes a number of references to relevant legal processes and proceedings that the Service has been involved in over the last 8 months, but there are no other specific legal issues that need to be drawn to the attention of the Committee.

Equalities and Diversity

Equalities and Diversity issues were considered fully in the process of creating the joint service and the associated business case includes an Equalities Impact Assessment. This report does not change any of the considerations included in the business case or in that Equalities Impact Assessment.

WHAT HAPPENS NEXT:

1. If the Board requests any further reports on the issues raised then they will be brought to a future meeting.

Contact Officer:

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Consulted:

Annex 1: Response to the LGA and BIS reviews of the delivery of Trading Standards.

Sources/background papers: None