

BUCKINGHAMSHIRE COUNCIL AND SURREY COUNTY COUNCIL
TRADING STANDARDS JOINT COMMITTEE

DATE: 4 APRIL 2022

LEAD OFFICER: AMANDA POOLE
ASSISTANT HEAD OF TRADING STANDARDS

SUBJECT: PERFORMANCE AND JOINT SERVICE BUDGET

1.0 SUMMARY OF ISSUE:

- 1.1 The Buckinghamshire County Council and Surrey County Council Trading Standards Service Joint Committee is asked to note the performance of the service for quarters one - three of 2021-22 (April to December) (Annex B).
- 1.2 The information provided shows that the Service is performing well across the range of indicators and is delivering some excellent activity against key performance indicators.
- 1.3 The Joint Committee is asked to agree the position in relation to the joint service budget for 2022/23 (Budget Summary position, Annex A) and note the latest forecast for the outturn for 2021/22.
- 1.4 The information provided shows that:
- a) The Joint Service budget is forecast to be 5.8% overspent at the end of the 21-22 year (£155,000) due to ongoing pressure on income. The Government's lost income grant scheme supported this in Q1 but the scheme stopped at the end of June leaving a pressure.
 - b) There are pressures identified on the budget for 22/23 which will require each Council to confirm their approach to managing these risks to inform how the Service manages the budget.

2.0 RECOMMENDATIONS:

- 2.1 It is recommended that the Trading Standards Joint Committee:
- 2.1.1 notes the Service's performance.
 - 2.1.2 notes the joint service budget for 2022/23 and the pressures

3.0 REASON FOR RECOMMENDATIONS:

- 3.1 The Joint Committee is required by the Inter Authority Agreement which underpins the service to:
- a) Ensure effective performance of the Service. This includes formally reviewing performance annually by considering performance against the agreed measures.
 - b) Maintain financial oversight of the Service and ensure sound financial management.

4.0 PERFORMANCE DETAILS:

- 4.1 The performance of the joint service is measured through key performance indicators agreed by the Joint Committee.
- 4.2 There are no statutory performance indicators for Trading Standards and there is no performance benchmarking data available for comparison. Following the National Audit Office report on “Protecting consumers from scams, unfair trading and unsafe goods” published in December 2016 the Association of Chief Trading Standards Officers (ACTSO) developed a new national Impacts and Outcomes Framework for Trading Standards. This has been reported on since the 2018-19 year and provides overall information about the impact of Trading Standards using nationally aggregated data but does not provide benchmarking data.
- 4.3 Whilst there has been some disruption during the year as a consequence of the pandemic, and this remains visible in performance, it is not as marked as in previous reports during the past 18 months. The service has continued to be agile and adaptable in meeting the changes in demand through different phases of the pandemic.
- 4.4 The Joint Committee are invited to note the volatility of some of the performance indicators. Individual case outcomes, which often have been preceded by months or years of work, significantly affect the overall performance. Wide scale closure of courts and jury trials during the Coronavirus pandemic, and the knock-on delays in trials since has emphasized this volatility, with the Service having far fewer convictions during 20/21 than in previous years. This year we have now seen as many convictions as last year (5) though only in cases with short trials or where defendants have chosen to plead guilty, and trials have been avoided.
- 4.5 **A key Service priority is protecting the most vulnerable, tackling fraudulent illegal and unfair trading practices, including serious and organised crime.** Savings for residents, at £284,965, are behind last year’s savings (£466,586). However, due to delays in the court system there has only been one Proceeds of Crime Act 2002 compensation order (which tend to be the largest contributor to these figures) so far this year. The compensation order made this year was for a total of £86,391 to be returned as compensation to two victims of home improvement fraud where the criminals had been sentenced to immediate custody back in 2020. In addition

to this £284,965 there have been further savings of £698,448 for scam victims during the year.

- 4.6 To the end of December £1,539,025 has been saved for residents and a further £839,514 saved in avoided health and social care costs as a direct result of our scams interventions. This compares to just over £1.7m saved for residents in the previous year.
- 4.7 **Our second key priority is to enable businesses to get the help and support they need to thrive and grow. Delivering public protection through supporting businesses to comply with their legal responsibilities and ensuring a level playing field.** The service continues to successfully grow Primary Authority Partnerships with 136 partnerships at the end of December and businesses regularly approaching the Service seeking a partnership. More recently we have been involved in transferring a number of suitable partners from Hampshire Trading Standards, who are no longer able to provide a comprehensive Primary Authority Service due to resourcing constraints which will further increase our work in this area.
- 4.8 Supporting businesses to operate effectively and appropriately remains a significant priority. This year particular focus has been on changing covid business restrictions; supply chain issues and coping with changes in legislation, especially in relation to food, given the introduction in October of “Natasha’s Law” and new out of home calorie labelling legislation for larger businesses coming into force in April.
- 4.9 The Service supports a number of trader approval schemes, including: Eat Out, Eat Well; TrustMark and Traders4U. However, the market is challenging, not assisted by the unusual trading conditions with a sharp increase in householders extending, adapting and modernising their homes whilst supply chain issues have seen challenges in vital components for the building trade such as windows.
- 4.10 **Improving wellbeing and public health; tackling the supply of unsafe, dangerous or age restricted products and working to maintain the integrity of the food chain, including food quality, nutrition, and animal health is the third key priority for the Service.** We have been pleased to be able to return to doing a greater amount of our ‘usual’ work in this area following the significant disruption last year.
- 4.11 Work tackling illegal supplies of tobacco is a significant part of this work stream and funding from HMRC to undertake several operational days using tobacco detection (sniffer) dogs to locate hidden illicit tobacco has been helpful. Following on from a disappointingly high number of seizures made we were also fortunate to receive further funding for this work in the Surrey area from Surrey County Council’s Contain Outbreak Management Fund. This has enabled us to do more test purchasing and operations with the detection dogs, and the follow up investigations after these operations.
- 4.12 Whilst not at the extreme levels during Q1 last year, demand has continued to be high to tackle the import of unsafe products through transit sites for Heathrow. Over 18,000 unsafe and non-compliant products destined for people’s homes were prevented from entering the country through our work, including carbon monoxide alarms that don’t alarm, dangerous toys, counterfeit cigarettes, electrical and DIY items.

5.0 BUDGET 21/22 AND 22/23 PLANS:

- 5.1 The costs of the Joint Service are divided between the partner Local Authorities in the proportion: 34% Buckinghamshire and 66% Surrey, which includes any under or over spends.
- 5.2 There are a number of factors which introduce volatility to the budget. The service has an income budget of £0.7m, equivalent to 20% of its gross budget. It is challenging to accurately predict income and it's timing especially where costs are recovered from prosecutions, or where market conditions are changing. Some cases go through the legal process in a matter of weeks and others (particularly at the moment) run into years. Conversely the timing and amount spent on prosecutions varies depending what approach is taken by the defence, what arguments are made and whether the defendant pleads guilty at an early opportunity. However, the Service manages its' budget closely to even out the most volatile factors where it is possible.

2021/22

- 5.5 The 2021/22 budget was £2,676,000. We are forecasting that at year end there will be an overspend of £155,000 (5.8%). This is due mainly to reduced income. Covid impacted the Service by causing income to drop. A claim was made for Q1 to the local government income compensation scheme as this was extended for one quarter from last year, which offsets £66,000 of the loss. However, the scheme has not been extended beyond June, leaving a pressure on each Council. The Covid related loss of income is now expected to be around £168,000 for the year. The Service has restricted its' spend where possible, but there has been limited staff turnover during the year, so it has not been possible to manage the overspend through holding vacancies.
- 5.6 Each Council is managing the overspend in accordance with their own approach.

2022/23 Budget Planning

- 5.7 The proposed budget for 2022/23 in Annex A has been kept at the same value of £2,676,000. This excludes any increase for expected pressures, estimated at £262,000 for: pay inflation, additional National Insurance costs and reduced income. These therefore remain risks to the Service delivering within this budget which will require careful management during the year.
- 5.8 Each Council will manage the risks in accordance with their own approach, and each Council will need to confirm their approach to managing these risks to inform how the Service manages the budget.

6.0 CONSULTATION:

- 6.1 No external consultation has taken place.

7.0 RISK MANAGEMENT AND IMPLICATIONS:

- 7.1 All significant risks affecting the service (which include items beyond budget and performance) are regularly considered by the management team (two monthly for red and amber risks, 6 monthly for green risks).
- 7.2 Where risks become higher, these are shared with the Trading Standards Board for awareness and discussion.

8.0 FINANCIAL & VALUE FOR MONEY IMPLICATIONS

- 8.1 The Service has delivered all elements of the business case. The forecast budget outturn position for 2021/22 is detailed within section 5 above.

9.0 LEGAL IMPLICATIONS

- 9.1 The 2015 Inter-Authority Agreement provides the legal framework within which the Service operates. As set out in paragraph 3.1 of the report, the Joint Committee is responsible for ensuring the effective management of the Service and maintaining financial oversight. The Service's performance is then subject to scrutiny in the participating authorities in the normal way.
- 9.2 The report makes a number of references to relevant legal processes and proceedings that the Service has been involved in over the last year. There are no other specific legal issues that need to be drawn to the attention of the Committee.

10.0 EQUALITIES & DIVERSITY

- 10.1 The performance being reported will not impact on residents or staff with different protected characteristics, as such an Equality Impact Assessment has not been included.

11.0 WHAT HAPPENS NEXT:

- 11.1 Performance continues to be reviewed by the Service Management team and by the Joint Service Board.

REPORT DETAILS

Contact Officer(s):

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Annexes:

Annex A: Trading Standards Budget forecast summary 2021/22
Annex B: Key Performance Indicators 2021/22, Quarters 1-3 (April – December)

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