

**BUCKINGHAMSHIRE COUNCIL AND SURREY COUNTY COUNCIL**

**TRADING STANDARDS JOINT COMMITTEE**

**DATE: 24 MARCH 2021**

**LEAD OFFICER: AMANDA POOLE**  
**ASSISTANT HEAD OF TRADING STANDARDS**

**SUBJECT: PERFORMANCE AND JOINT SERVICE BUDGET**

**SUMMARY OF ISSUE:**

The Buckinghamshire County Council and Surrey County Council Trading Standards Service Joint Committee is asked to note the performance of the service during the financial year April 2020 to 10th March 2021 (Annex A). The information provided for the 20-21 year covers performance against the key indicators agreed by this Joint Committee, additional information linked to Covid priorities and in relation to the service budget.

The information provided shows that:

- Performance is variable across the range of indicators this year, with Covid impacts and Covid priorities having taken precedence. There remain some excellent results against some key performance indicators.
- The Joint Service budget is forecast to be underspent at the end of the 20-21 year.

The Joint Committee is asked to note the position in relation to the joint service budget in 2021/22.

**RECOMMENDATIONS:**

It is recommended that the Trading Standards Joint Committee:

1. notes the Service's performance.
2. notes the joint service budget for 2021/22 and the identified pressures that will need to be addressed.

**REASON FOR RECOMMENDATIONS:**

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 and agreeing performance measures for the Service in advance of the start of each financial year.
- b) Maintain financial oversight of the Service and ensure sound financial management.

<b>PERFORMANCE DETAILS:</b>
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1. The performance of the joint service is measured through key performance indicators agreed by the Joint Committee. These are detailed in the attached 2020-21 performance report. This year has been exceptional due to the disruptive impact of the pandemic. Performance in several areas has been undermined because business have been operating differently or have been closed for much of the period and the interventions we would normally make have not been possible because of Covid restrictions. In addition, major new unanticipated demands and new responsibilities were given to the service to help the national response to the crisis. The service has proved exceptionally agile and adaptable in meeting those new demands efficiently and effectively and in a way which both protects resident's safety but also which helps businesses comply. More detail of the service response to Covid is provided in a separate paper on this agenda.
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) have developed a new national Impacts and Outcomes Framework for Trading Standards. This was reported on formally for the first time for the 2018-19 year and whilst nationally aggregated data is available, no benchmarking data is available.
3. 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 has emphasized this volatility, with the Service having far fewer convictions during 20/21 than in previous years due to fewer.
4. A key Service priority is protecting the most vulnerable, tackling fraudulent illegal and unfair trading practices, including serious and organised crime. Savings for residents have increased this year compared to last year, assisted by significant compensation paid by defendants at the time of entering guilty pleas. In the largest of these cases, two defendants paid victims back a total of £178,000. However, the number of people convicted this year (5) is far fewer than last year (16). This is due to the impact of the coronavirus pandemic on the court system which has caused trials and cases to be significantly delayed. All the convictions this year were either due to defendants pleading guilty or as a result of very short (less than one day) trials. The financial impact of our scam interventions is slightly less than last year. To the end of December the savings were £1.3m compared to a total last year of £2.1m. The impact of our interventions with scam victims

referred to us by the National Trading Standards (NTS) Scams Team varies year on year. This variation occurs because of the work streams carried out by the National Team which result in the subsequent referrals of victims to us. In some cases, there will be a higher level of financial savings than others. We continue to deal with all the referrals made to us by the NTS Scams Team.

5. 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. Despite the difficult and unusual trading situation, the service continues to successfully grow Primary Authority Partnerships, currently with 124 Partnerships compared to 109 at the end of last year, with businesses regularly approaching the Service seeking a partnership.
6. Supporting businesses to operate effectively and appropriately, and in accordance with rapidly introduced legislation, through the Covid Pandemic has been a significant priority. This has included providing advice on how businesses can diversify (for example to produce hand sanitiser or face coverings) or how they can alter their business model, for example to provide safe home delivery services. This work is further discussed in Annex B.
7. The UK's EU Exit provides and has provided challenges for businesses, in terms of understanding what changes are happening when, how it affects them and how they may need to do things differently to comply with the regulatory environment. Understanding the position and being able to translate that for businesses has been challenging, although there have been few particular peaks in requests for information from businesses with it instead being more gradual requests from businesses.
8. The Service supports a number of trader approval schemes, including: Eat Out, Eat Well; TrustMark and Traders4U. During the year we have also had a dwindling number of Checkatrade members as previous Trading Standards Approved members worked through their final 12 months of our approval. By the end of March there will be no Trading Standards Approved Checkatrade members. Take up of the recently launched Traders4U scheme has been slow, not assisted by the unusual trading conditions. We will review the scheme in more depth once trading conditions are more settled.
9. 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 and work on this priority has been quite different to previous years because of the response to the Covid pandemic, which is discussed in more detail in the Covid response paper.
10. Some aspects of work carried out in previous years has been much more limited this year, whilst work on other aspects, both new and those that were most closely aligned to urgent public health priorities has been increased significantly. For example, work to tackle the import of unsafe products through transit sites for Heathrow has been important. Particularly during April, May and June of 2020 the

Country urgently needed supplies of PPE so air freight, and Heathrow, was used to a much greater extent than normal to speed supplies into the Country. During this year our officers have reviewed over 5 million products, the majority of which were face masks, with smaller quantities of hand sanitiser. The Service stopped over 1.2 million unsafe or non-compliant items from being released into the marketplace (compared to around 25,000 items last year).

11. The year has seen multiple new pieces of legislation with business restrictions to reduce the spread of Covid, and enforcement of these has been shared between Trading Standards, Environmental Health and the Police. Responding to this new legislation has taken significant resource, with over 6,000 visits to businesses to advise them or check compliance and responding to over 400 complaints.
12. Work tackling illegal supplies of tobacco is a significant part of this work stream and we continue to investigate offenders supplying illegal tobacco, making use of sniffer dogs to locate hidden tobacco. There were two prosecutions of such offenders during the 20-21 year, resulting in fines. This area of work is further discussed in the Tobacco Paper.

<b>BUDGET 20/21 AND 21/22 PLANS:</b>
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13. 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.
14. The budget for the joint service was set out in the original joint service business case and set out planned savings of 12% over the first 4 years of the new shared service. This has been adjusted by the Joint Committee on occasion, resulting in overall savings targets for the shared service of approximately 27% over the last five years. This has included additional income and efficiency savings.
15. There are a number of factors which introduce volatility to the budget. It is challenging to accurately predict income and its timing especially where costs are recovered from prosecutions. Some cases go through the legal process in a matter of weeks and others can 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.

## **2020/21**

16. The agreed 2020/21 partnership budget was £2,631,000. Pressures totalling £124,000 were subsequently identified giving a required budget of £2,755,000. The partnership budget was not officially increased, with both authorities being aware of the pressures and possible additional funding required.
17. The service has experienced a significant reduction in income, estimated at £403,000, largely due to the effects of the Covid pandemic.

18. We are currently forecasting a year end outturn position of £2,689,000. Whilst that is over the original budget, the service has largely contained the identified pressures and is expected to come in under the required budget that was previously reported to the committee. This is due to action taken to mitigate the impacts of Covid on our income. In the first half of the year a number of posts were held vacant in order to offset reductions in income. However, in September we became able to apply to a new Government Grant for Lost Income, which has now offset a significant proportion of the income lost.
19. When we became aware of the new Lost Income Grant we began recruitment to our most key posts, but the time lag in this taking effect and holding the vacancies in the early part of the year have been able to reduce expenditure. In addition the suspension of activities and changes in working arrangements due to Covid have led to some other reductions in costs, such as in legal expenses and travel.
20. The Service has also been able to make use of other Covid related grants from both Council's to assist with enforcement work and has used this money to recruit short term contractors at key points of pressure during the year.

### **2021/22 budget**

21. The proposed budget for 2021/22 is £2,676,000. This is affordable based upon the funding allocated by each authority. Annex A, provides a summary of this budget and the movement between years. Pressures of £123,000 have been partly offset by expected savings of £78,000.
22. There are risks to this budget – that the UK's exit from the EU and the coronavirus pandemic cause increased demands on the service in the coming year or reduces income which could adversely affect the budget. Both Councils have been made aware of these, however both have taken the same approach that there is not funding available to fund them in the budget in advance and therefore they accept that they are risks.

### **Replacement Reserve**

23. The Service operates a replacement reserve. This was set up to enable small annual contributions to be made for the planned replacement of capital items, such as the two office vans, without that having a disproportionate effect on the year in which they are replaced. Since it was set up, it has become apparent that there are other one off spends items for which it may be appropriate.
24. The current balance in the reserve is £55,758. This includes a £30,000 contribution made in 2018/19 towards the implementation costs of the services new IT system. However, the service has been able to fund the implementation costs of the new system within the current financial year without drawing upon the reserve. This gives opportunities for it to be used to fund other investments required or be held towards mitigating some of the financial risks identified earlier in paragraph 5.10.

<b>CONSULTATION:</b>
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25. No external consultation has taken place.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

26. 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).
27. Where risks become higher, these are shared with the Trading Standards Board for awareness and discussion.

#### **FINANCIAL & VALUE FOR MONEY IMPLICATIONS:**

28. The Service has delivered all elements of the business case. The forecast budget outturn position for 2020/21 is above the original agreed budget but lower than the required budget previously reported to and acknowledged by the committee.

#### **LEGAL IMPLICATIONS:**

29. The 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.
30. 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.

#### **EQUALITIES & DIVERSITY:**

31. 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.

#### **WHAT HAPPENS NEXT:**

32. 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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**Consulted:**  
**N/A**

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**Annexes:**

Annex A: Trading Standards Budget 2021/22  
Annex B: Key Performance Indicators 2020/21

**Sources/background papers:**

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