

From: Bryan Sweetland, Cabinet Member for Commercial & Traded Services  
Paul Crick, Director of Environment Planning & Enforcement  
Mike Overbeke, Head of Regulatory Services Group

To: Environment & Transport Cabinet Committee – 17 September 2014

Subject: Update on Trading Standards activities and initiatives

Classification: Unrestricted

Past Pathway of Paper: N/A

Future Pathway of Paper: N/A

Electoral Division: All electoral divisions

**Summary:**

This report seeks to provide information to members in relation to the role, remit and activities of the Trading Standards Service, as requested by members at the July meeting of this committee.

**Recommendation:**

Members are asked to note the content of this update.

**1. Background**

- (1) Trading Standards is delivered by County and Unitary authorities across the U.K. As well as contributing to local priorities, the Service is also part of a national framework known as the Consumer Landscape.
- (2) The Consumer Landscape was developed following the “Plan for Growth”, introduced by The Chancellor of the Exchequer and the Secretary Of State for Business, Innovation and Skills in 2011. The plan introduced a review of how consumer protection and competition law is managed in the U.K.
- (3) The review, “Empowering and Protecting Consumers”, was conducted by the Department for Business, Innovation and Skills and was published in 2012. The review was introduced with the statement:-

*“The Government is committed to promoting growth in the U.K. economy and empowering and protecting consumers is a vital element of our approach.”*

- (4) As part of this review, the Office of Fair Trading (part of central government) was abolished and responsibility for enforcement of consumer law was given to Trading Standards Services. In making the decision to introduce this significant change, The Government said:-

*“Unless the law is enforced effectively, rogue traders can undermine responsible businesses, unfair practices can develop and consumers will lack*

*confidence to exercise choice sensibly and thus drive competition, innovation and growth. Individuals may suffer detriment significantly beyond the cost of their purchase which can in turn lead to social or health problems and a drain on public funds. “*

- (5) The Trading Standards Service focuses on highly innovative intelligence led systems to direct the work most effectively to where it is most needed within an increasingly limited resource. It is part of the Environment, Planning and Enforcement Division.

## **2. The role and remit of the Trading Standards Service**

- (1) The role of the Service is to protect consumers, businesses and the economy from harm and to provide help and support to businesses to give them the confidence to trade legitimately.

### Protection from harm

- (2) Everything that we all, as consumers, buy and use or consume, is covered by legislation ensuring that it is safe. Trading Standards is the enforcement agency for the majority of that legislation. Examples include the safety of electrical goods, the safety of toys and the safety of food products (but not the hygiene of the premises where food is prepared).
- (3) Trading Standards in Kent work with manufacturers and importers to ensure that they have everything in place to be confident of the safety of their products. Our colleagues across the Country do likewise so that, wherever goods are made or imported, Kent consumers, and consumers across the U.K., are protected.
- (4) Where rogue businesses are determined to place dangerous goods on the market, Trading Standards have robust enforcement powers which can be brought into play to protect the public and also to protect the interests of the legitimate businesses who act responsibly and safely.
- (5) In addition, Trading Standards licence and supervise the storage of dangerous goods like petrol and explosives and enforce the laws introduced in response to the Foot and Mouth outbreak in 2001 which are designed to ensure that the economy, both farming and non-farming, is never again subjected to the damage which that outbreak caused.

### *Rogue Trading*

- (6) “Bold Steps for Kent” charged the Trading Standards Service with focussing our enforcement work on those businesses that cause the most harm to consumers and legitimate businesses. As a result all Trading Standards Officers are trained in the investigative techniques introduced to the Police as a result of the review of the Soham murders enquiry. Officers now spend a significant proportion of their time focussed on those businesses that set out to defraud the public and other businesses. Much of this work involves vulnerable home owners being targeted for fraudulent repair work. This change means that the Service now

finds itself investigating and prosecuting for offences including Fraud and Money Laundering as opposed to, arguably, minor regulatory matters.

- (7) The Service has recruited an Accredited Financial Investigator to both support criminal investigations with the ability to “follow the money” and also to seek recovery of criminal assets using proceeds of crime legislation.

#### *A reliable alternative*

- (8) As part of the drive to protect consumers from rogue traders, the Service is about to launch a ground breaking, innovative “approved trader” scheme in partnership with Check-a-Trade, one of the market leading commercial scheme operators. For the first time, consumers in Kent will have access, via a well-publicised and efficient commercial scheme provider, to reliable tradesmen who have been vetted by Trading Standards. Other local authorities in the South East and further afield are now seeking to follow Kent’s lead in this area.

#### *Public Health*

- (9) Trading Standards contributes to KCC’s public health responsibilities in three main ways:-
  - i. Smoking. Trading Standards enforce the laws on sales of cigarettes to children and also on the supply of illicit tobacco products such as counterfeit or otherwise illegal cigarettes. Research shows that, if children haven’t started smoking by the time they are 18 then they are much less likely to. Illicit tobacco is known to present even more significant health problems than the legitimate product. These additional risks include dangerously high tar levels and products that contain dangerous and illegal chemicals.
  - ii. Alcohol. Trading Standards leads the County wide “Kent Community Alcohol Partnership” which is a nationally respected partnership focussed on responsible drinking amongst young people. Partners include the Districts, Police, Fire Service and, most importantly, the retail trade. Working together, the partnership seeks to prevent irresponsible supply of alcohol and better inform young people about safe alcohol use.
  - iii. Worklessness. There are well documented public health risks to people who are out of work. These risks include both mental and physical health. The work Trading Standards does in support of business is focussed on growth and supporting employment of local people.

#### Support to Business

- (10) The Service dedicates approximately half of its time to providing help, advice and support to local businesses. The focus of this work is to help businesses grow and develop. The support is provided in a number of ways.
- (11) Trading Standards Officers have considerable knowledge and experience in interpreting legal requirements and applying that to practical solutions for individual businesses. Officers frequently reduce apparently complex legal requirements to simple practical steps for businesses to follow.

- (12) The Service also acts as an advocate for Kent businesses when they are faced with challenges from other regulators both in the U.K. and across Europe.
- (13) Trading Standards Officers contribute to the assessment process in relation to the various economic development schemes in Kent, including “Expansion East Kent” and “Tiger”. The purpose of this contribution is to both protect the reputation of KCC by ensuring that money is not loaned to a rogue trader or for illegal purposes, and also to provide advice and support to those businesses seeking to start or grow so that they are sustainable.

### **3. Examples of current work**

Trading Standards Officers are currently engaged in the following matters, as well as a number of other, smaller scale, issues:-

- i. Investigation of a conspiracy to defraud homeowners for unnecessary repair work. This case has victims mainly in North Kent and, so far, looks to involve in the order of £350,000 worth of fraud with one victim alone being defrauded by over £200,000.
- ii. Investigation of the allegedly fraudulent actions of a letting agent in relation to the handling of tenant deposits.
- iii. Prosecution of a conspiracy to supply counterfeit goods across Kent. This matter is currently before the courts. This type of crime has a significant impact on legitimate business, both the owner of the brands but also, and perhaps more worryingly, on legitimate local retailers supplying legitimate products.
- iv. Prosecution of two separate businesses for alleged unsafe storage and supply of explosives.
- v. Provision of advice to a local food manufacturer whose entire business was placed at risk by a change to the law. With our help and guidance the business has changed their operation so that they can both continue to trade and also develop new markets.
- vi. Using funding secured from the National Trading Standards Board, investigating a nationwide fraud targeted at home owners who live in permanently sited mobile homes.
- vii. Working with our partners in Kent Police and also Medway Trading Standards, leading enforcement action in relation to the retail sale of Novel Psychoactive Substances (NPS) (so called “legal highs”).

### **4. Media interest**

- (1) Because the work of the Trading Standards Service is relevant to everyone who buys goods and services, there is significant media interest in the work of the Service.
- (2) The work on NPS featured in the entire Kent printed and broadcast media and in some national media.
- (3) The service has featured several times on the BBC1 programme “Fake Britain” with stories around fake washing powders, fake toys and fake electrician’s manuals.

- (4) A recent piece of work preventing almost 1000 dangerous chainsaws entering the U.K. and European market featured across the local and national media.
- (5) Media interest in the work of the Service provides a valuable platform to inform and educate consumers and also showcase the value of KCC.

## **5. Resources**

The Trading Standards Service is delivered with a net budget of just over £2.5m, which equates to less than 1/7 of 1% of KCC's budget.

## **6. Recommendation:**

Members are asked to note the content of this update.

## **7. Background Documents**

N/A

## **8. Contact details**

Report Author:

Mark Rolfe, Trading Standards Manager (East)

03000 410336

[mark.rolfe@kent.gov.uk](mailto:mark.rolfe@kent.gov.uk)

Richard Strawson, Trading Standards Manager (West)

03000 410380

[richard.strawson@kent.gov.uk](mailto:richard.strawson@kent.gov.uk)

Relevant Director:

Paul Crick, Director of Environment, Planning and Enforcement

03000 413356

[paul.crick@kent.gov.uk](mailto:paul.crick@kent.gov.uk)