



Appendix 2

**Trading Standards Annual Report
2016-2017**

1. COMPLIANCE ADVICE TO BUSINESSES

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- 1.1 The Service is one of the national leads for the provision of Primary Authority business advice. Primary Authority business advice partnerships allow the service to establish a long term advisory relationship with a business whereby, for an annual fee, a business can seek 'assured' advice on any aspect of Trading Standards legislation from importing goods, labelling goods, product safety, trade mark protection etc, with the confidence that their practices cannot be challenged by another authority if they are acting on advice given by the Service. This business does not have to be based in the same county as the authority.
- 1.2 The Primary Authority principle goes beyond Trading Standards, and is something that can be offered by all local authority regulators. To date, Cambridgeshire's Trading Standards Service has worked in conjunction with South Cambs Environmental Health and the Fire Service to provide a joined up service for customers. However, amendments to the national scheme from October require the regulatory advice 'package' to be provided by a single authority where possible, rather than disparate regulators. This will see the Service come together with Peterborough City Council Environmental Health, Health and Safety and Fire to provide a one-stop-shop for business customers.
- 1.3 The work is charged on a cost-recovery basis, generating £77,000 in income in the last financial year. This currently funds 1.5 FTE staff, with these posts dedicated to the provision of Primary Authority business advice. In addition, the Service offers ad-hoc business advice to any business in Cambridgeshire that requests it, charged on a cost-recovery basis. This generated £8K in the last financial year.
- 1.4 87 partnerships are in place with Cambridgeshire and Peterborough Trading Standards, including Aldi and Del Monte (see full list in Appendix 2), as well as co-ordinated partnerships with the major Trade Associations British Frozen Food Federation and Construction Productions Association, which cascade advice to its members. This benefits local businesses as well as consumers by making sure the major businesses are complying with their legal obligations, ensuring a level playing field for smaller enterprises and widespread consumer protection. This year the Service will be identifying potential new Primary Authority partners based in Peterborough, as well as exploring the opportunities for providing bespoke bolt-on training packages to existing partners.
- 1.5 Challenges for us going forward are:
 - how the Service can support the Local Enterprise Partnerships in line with the 'Better Regulation for All' agenda
 - how the Service can effectively engage with local business representatives to stay in touch with issues affecting business locally
 - how the Service can target advice services at new start-up businesses

2 PROTECTING THE RURAL ECONOMY FROM ANIMAL DISEASE OUTBREAKS

- 2.1 Foot and Mouth disease highlighted the tremendous importance of this work to the rural economy, rural communities and to the British economy as a whole. It brought about major changes in the way this field is regulated, requiring animal identification and movement records for all livestock so that diseases could be traced. This increased regulation was funded for several years after the disease, but now funding has ceased. In response the Service had to dramatically reduce the number of inspections it carried out, and currently visits only high risk and new premises. 12 high risk premises have been identified for inspection this year.
- 2.2 In the case of an animal disease outbreak, Trading Standards is a primary responder, vital in supporting government bodies to trace, contain and eradicate the disease at a local level. As a result, in conjunction with the County Council's Emergency Planning Team, it has issued an animal disease contingency plan, directing the actions of the authority in the case of such a disease outbreak.

A major project was initiated to tackle the escalating number of illegally imported pets entering the country from Eastern Europe without effective Rabies vaccinations.

A four pronged approach was used;

- delivering a major educational campaign for veterinary practices advising them of how to detect suspicious imports and how to report concerns to Trading Standards
- an educational campaign targeting those from Eastern Europe informing them of the requirements if they wished to bring pets into the country
- hard line enforcement for those illegally importing animals in mass numbers in contravention to the legislation
- and finally escalating the issue to the National Trading Standards Animal Health Panel who in turn lobbied national government to bring about consistency in the vaccination 'stand-still' requirements between different manufacturers of the vaccine, to which Government effectively responded.

Before the campaign in a 24 month period, 33 animals were found to have been imported without an effective Rabies vaccination in Cambridgeshire and Peterborough. As a result of the campaign, in the subsequent 12 month period there were just 4 instances, and to date there has only been one instance in 2017. Such was the success of this work, Cambridgeshire and Peterborough Trading Standards have been shortlisted for an 'Association for Public Service Excellence' award.

- 2.3 The Service also plays a vital role in upholding livestock welfare in the county, checking the conditions they are kept in, the suitability and condition of their feed, that medical attention is sought in the case of illness and injury, the

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conditions of their transportation and condition at the time of slaughter. Two prosecutions were brought last year, with many more interventions on farms and small holdings, ensuring that the basic needs of these animals are met. The welfare of the animals is checked at the same time as the disease control inspections at high risk premises, but additionally inspections take place as a result of Intelligence passed to us by other agencies or members of the public, to which officers aim to respond within 24 hours.

In 2016 the Service brought a successful prosecution against a Mr Walker for breaches of the Animal Welfare Act and the Animal By-Products Order. On 6 separate occasions, despite comprehensive advice and guidance from officers, he failed to shear his sheep, provide water to his livestock and a large proportion of them died, their carcasses left to rot in the field. He was served notices under both pieces of legislation with which he failed to comply. He was given a 24 month Community Order with 25 days rehabilitation requirement, 120 hours unpaid work and an order to pay £5000 costs.

3 UPHOLDING FAIR TRADING

- 3.1 The Service utilises intelligence to direct its activities in this field. It considers every allegation received as part of a referral for action, and in the majority of cases provides compliance advice to the business concerned. In the minority of cases, where the law has been deliberately flouted or they have shown recklessness in their compliance, it is likely to invoke one of its enforcement sanctions.
- 3.2 It also uses intelligence to identify the sectors or issues that are causing the greatest problems for consumers, and looks to tackle these issues locally. To this end, the Service has commenced a project to tackle the high number of complaints received from consumers about second hand car dealers, advising the businesses of their legal obligations and carrying out spot checks to check compliance. A large number of the issues relate to restrictive statements such as 'sold as seen' and failing to honour warranties.

Following intervention by Trading Standards a consumer received £1,000 back from a business who had mislead him regarding the cost of solar panels and the degree to which they could be offset by a Government grant.

- 3.3 For many years the Service has been proactively tackling counterfeiting issues at Bourn Bank Holiday markets as these crimes have a direct impact on legitimate Cambridgeshire retailers. In the past 12 months, the Service:
- had forfeited by the Courts £4,715.90 in cash seized from illegal traders
 - had 5 confiscation orders - total criminal benefit of £341,021
 - convicted 4 individuals for counterfeit goods; 3 at Bourn Market and 1 for counterfeit cigarettes in Wisbech.
- 3.4 However, counterfeiting on markets continues and is evolving with much of it now perpetrated by organised crime groups that operate across the country,

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selling at all known markets. Cambridgeshire Trading Standards brought this to the attention of the National Trading Standards Service, and as a result work is now underway with the National Markets Group, changing the focus to the market organisers, assisting them in cleaning up their markets. There have already been successes in Bristol and Lincolnshire. Successive enforcement operations at the Bourn markets have kept issues to a minimum, aided by the fact that they are only held on Bank Holidays, not on a weekly basis as in other locations.

3.5 Challenges going forward:

- Crimes are increasingly digitally enabled. An individual operating from a single computer can have a far reaching impact, crossing numerous borders and jurisdictions, and yet can be virtually impossible to detect.
- Should proactive enforcement be left to the Intellectual Property owners to pursue civilly in the courts, with the Service only responding to complaints where there are safety issues?

Following his conviction for importing and selling counterfeit and bootleg vinyl on Cambridge market and eBay, Kevan Murphy received an 8 months suspended sentence. The Court also granted a £50K confiscation order which he has paid. The damage caused to legitimate businesses by such crimes cannot be understated.

4 ENFORCEMENT AND PUBLIC SAFETY

- 4.1 **Illicit tobacco:** Over the past 2 years, the service has looked to tackle the issue of illicit tobacco – a particular issue in the north of the county – using funding provided by Public Health. Aside from the lack of tax paid on the items, the cigarettes and tobacco do not have the health warnings in English and the cigarettes pose the risk of fire due to the absence of an automatic ‘cut out’ which means cigarettes will continue to smoulder if dropped.

Between January and March 2017 the service carried out multi-agency raids, with a total of 70,420 cigarettes and 9.280kg of hand rolling tobacco seized from 6 shops. Trained tobacco detection dogs were used to find concealments including remote control floor hides which elevate out of the floor, a hide behind a live electrical consumer unit and another behind a false gas boiler. A programme of formal interviews under caution is underway with owners and employees of these premises, with investigations continuing. Licence reviews have been instigated where the shop was licenced to sell alcohol, and at the time of writing, one licence has been revoked.

- 4.2 This year the service will also be delivering a ‘vaping’ project as this market has now been regulated. These regulations concern age restrictions and vaping liquid controls. The project will update shopkeepers on the requirements of these regulations, offer advice to owners on the age restrictions and ensure liquids are compliant through testing, thereby helping to ensure these products

do not get into the hands of young people, and that the products are safe for use.

- 4.3 **Food and feed safety:** The service helps to protect the integrity of the food chain; from ensuring farm animals are fed safe and appropriate feed and that medicines unsafe for ultimate human consumption are not administered too close to the animal's slaughter, to ensuring meat is accurately labelled and that only animals of a certain age enter the human food chain. The work is very high profile, addressing issues such as BSE, the horse meat scandal and potentially fatal allergens in food.
- 4.4 In addition it upholds food safety standards, ensuring foods are accurately labelled and described, that banned or restricted ingredients have not been used, that allergen information is provided and food is of the quality demanded by the consumer. This work helps to maintain consumer confidence in UK food products and is delivered by way of inspections and sampling. Staffing resources limit the service to only inspecting premises deemed to be high risk, e.g. those that produce food in mass quantities carrying the potential for widespread harm, or those where there have been compliance issues previously.
- 4.5 The service is also funded by the Food Standards Agency (FSA) to deliver a specific food sampling programme each year. Last year it focused on prohibited and restricted food colourings used in Asian foods. This year the focus is on the quality of meat at independent butchers, local food/farmers markets and health claims on food supplements. Where issues are found, officers will work with the businesses to bring them into compliance, and results will be fed back centrally to the FSA to enable them to carry out national analysis.

In January 2017 the service carried out a project looking at newly controlled food colours in takeaway foods. 10 samples were taken and sent to the Public Analyst for testing. All samples were reported as unsatisfactory and follow-up action was taken to advise the businesses on how they must comply with legislation. This was found to be a national problem. Our findings were publicised to raise awareness of the issue and guidance was circulated to businesses and shared with Environmental Health colleagues within the districts.

- 4.6 **Product safety:** Again this is a high profile area of work as highlighted by the recent issues with hover boards, Hotpoint tumble driers, and more recently the fire at Grenfell. It is of vital importance to consumer confidence. Small amounts of funding are available to services within each region to participate in national safety projects. This year's projects are yet to be announced, but in addition, within Cambridgeshire and Peterborough, the service plans to deliver a project examining the safety of white goods being sold at second hand shops in light of recent issues.
- 4.7 The service also receives a large number of safety complaints each year, 84 in 2016-17, each of which is considered. In many cases business advice will suffice in the first instance, but in some cases a criminal investigation is necessary, with a wide range of enforcement measures at officer's disposal

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including the seizing of goods, suspension from sale pending testing, issuing a recall and/or prosecution. Where allegations have had an impact on Cambridgeshire and Peterborough consumers, but the business is outside our jurisdiction, officers will notify the local Trading Standards Service of the complaint and send a warning letter to the businesses, with the local Trading Standards carrying out any follow up work.

4.8 Challenges going forward:

- Effective sampling and testing is expensive, so one of the challenges is how the service makes an impact in this area with such limited resources
- A challenge to the profession as a whole is the number of imported goods being sold online which have not met requisite safety requirements for the UK market
- The product safety regulatory landscape in which Trading Standards has to operate has a number of weaknesses.

In May 2017 the service successfully convicted Gareth Redford, described by the Judge as a 'classic cowboy plumber'. He was sentenced to 16 months in prison having left a number of boilers in an unsafe condition.

In 2017 the service became aware of a toy importer who was selling products on online marketplaces. Test purchases were carried out and testing has found that they failed to meet British Safety Standards. The investigation is ongoing at this time.

4.8 **Explosives safety:** The service inspects every premises that store fireworks within Cambridgeshire and Peterborough annually, ensuring that customers, staff and surrounding residents and premises are safe. The harm that can ensue was illustrated by the devastating fire at the firework factory in Southampton in May 2016. Excessive numbers of explosives, inadequate or unsuitable storage, banned fireworks and a lack of knowledge about their safety are common problems. This is often down to lack of training for these seasonal products.

4.9 **Petroleum site safety:** The service has a statutory obligation to inspect all new petroleum sites for the purpose of licensing them, and thereafter it inspects at regular intervals or by exception such as when there has been an alteration at the premises. The work not only ensures the tanks are sufficient to keep the public and surrounding premises safe from harm, but also ensures that there are no environmental risks resulting from petrol seepage into the ground and surrounding waterways. There has been a large demand for inspections of new and modified tanks in the first quarter of this financial year.

July 2017: During a recent inspection of a local petrol filling station with a throughput of approximately 350,000 litres a week, approximately 400 litres of petrol was found in one of the tank top manholes. The site was

redeveloped 4 years ago and has double containment on all pipework and tanks as it is sited on protected ground water and has a brook running through it. After further investigation and testing, it was found that all 5 remote filling points or offset fills had failed tests on the primary or inner pipe of a twin wall pipe system. Fortunately no product was released to ground due to the secondary containment. Four weeks on, all 5 offsets and associated pipework have been replaced, tested and certified.

5. TACKLING ROGUE TRADERS AND FRAUD

- 5.1 One of the service's major priorities is tackling rogue traders, and rather than simply responding to complaints, it actively traces victims in order to effectively map the web of deception which usually crosses multiple counties, and unearth the complex networks within which the organised crime groups operate. Cambridgeshire and Peterborough Trading Standards have seen a large increase in rogue trader reports in the first quarter having received 34 reports, compared to 51 for the whole of 2016-17.
- 5.2 Typically rogue traders target an elderly person, offering gardening services or some other menial home maintenance service to win the person's trust. Once they have secured it, they invariably identify much larger projects that need carrying out urgently, such as a roof replacement or the tarmacking of a driveway, or persuade them to pay for further work. They then go on to charge tens of thousands of pounds for these projects. The service always engages the services of professional surveyors before pursuing a case, and the work is invariably found to be substandard, unsafe or in some cases non-existent.

Mrs K

Trading Standards are currently working to trace payments in excess of £100k that an elderly lady had made to rogue traders in Cambridgeshire. When officers came across her the rogues were trying to persuade her to sign her house over to them, under the guise that she was selling some land she thought she owned under an investment scam. We are now working closely with Social Services to provide some support for her going forward and Cambs Police to support their investigation.

Mr M

The service is also currently tracing payments in excess of £60k made by an elderly Cambridgeshire gentleman to rogue traders. Over a period of 2 years he was called on by a rogue trader several times, claiming further works needed doing to his roof. The value of the work done has been estimated to be in the region of £5,600 by our independent surveyor. A money laundering investigation is also being carried out by our Financial Investigator involving identification of the trader's bank account enabling the tracing of further victims.

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- 5.3 The impact on the lives of the victims can be catastrophic, with a person defrauded in their own home 2.5 times more likely to either die or go into residential care within a year. As a result, future safeguarding is an important element of this work, referring victims to Social Services for assessments under the Care Act where there is a possibility that more support can be provided to them at home.
- 5.4 The Service also considers what further protection it can provide, frequently installing surveillance cameras to deter further rogue traders, and gather evidence against those who persist; organising True Call to reduce scam callers; putting blocks on their property at the Land Registry to prevent the inadvertent/ill-advised signing over of their homes to the rogue traders; and putting protective measures on their bank accounts so that bank staff are alerted if they try to withdraw a large amount of cash. Over the years the service has established banking protocols with the major banks and building societies locally, under which they notify Trading Standards and the Police if an elderly or vulnerable customer tries to withdraw large sums of cash for home improvement work. It has proved tremendously successful in triggering rapid intervention, preventing money from being paid over to the rogue traders. Last year alone the service prevented over £20,000 from being handed over.
- 5.5 Challenges going forward:
- Increasing numbers of reported crimes, coupled with an ageing population, poses future challenges in terms of resourcing this work
 - Increasing numbers of organised crime groups are perpetrating these crimes, becoming more sophisticated in their operations
 - Ensuring effective partnership response to protect vulnerable adults.

6 RECOVERING THE PROCEEDS OF CRIME

- 6.1 The Proceeds of Crime Act (POCA) allows the authority to seek to recover the proceeds of crime from those convicted of 'acquisitive' crimes. POCA powers may be used to gain access to all the defendant's bank accounts and enable the tracing of assets. Criminal lifestyle cases permit a financial trawl through the last six years of a defendant's financial history where the onus is on them to account for its legitimacy. Property and other assets can be frozen to prevent their dissipation. The court may order that any confiscation orders granted be paid to the victims of crime in the form of compensation. As part of the Home Office Asset Recovery Incentivisation scheme (ARIS), Trading Standards may receive up to 37.5% share of proceeds of crime recovered (the Service is required to re-invest this money in further crime prevention or disruption strategies). In the last 2 years, the service has received £159,563 in ARIS monies. The Financial Investigator post is funded from some of these monies.
- 6.2 This acts as a tremendous deterrent to criminals, with many of them being part of organised crime gangs generating and laundering vast amounts of money. Furthermore, the ability to trace monies through bank accounts allows the authority to identify further victims of these rogue traders, enabling officers to make contact with them, put provisions in place to protect them in the future, and compile stronger cases due to the weight of evidence obtained.

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6.3 The service's Financial Investigator resource has been utilised by other County Council services, as well as the District Councils. In particular he has supported enforcement activities by the County Council's Strategic Planning team in relation to illegal landfill, and is also providing support to several of the District Council housing and benefits teams regarding fraud. Last year the service generated a small surplus of funds through its financial investigations, so this year it will be identifying how that money might be invested in further rogue trader prevention within Cambridgeshire with a view to providing further protection for elderly and vulnerable residents.

- In May last year, the Financial Investigator made three cash seizures at Bourn market amounting to £4,715.90 which have subsequently been made subject to forfeiture orders by the Courts. In addition, a further market trader was convicted leading to a confiscation order of £21,859.00
- Two further confiscation orders were made against 2 sellers of illicit tobacco, with a criminal benefit assessed at over £67,000.00 and two restraint orders were applied for and granted, preventing the disposal of assets by criminals before trial.
- £26,000.00 was received through the asset recovery incentivisation scheme in 16/17.
- The Financial Investigator also works collaboratively with Asset Confiscation Enforcement (ACE) Team which was established and funded by the Government to recover unsatisfied confiscation orders. The ACE team have recently recovered a further £88,000.00 on a case investigated by our Financial Investigator. The case related to a Thurrock prosecution, for which the service provided financial investigation assistance. As a result the service will be entitled to an 18.75% share of the recovered money.

7 PERFORMANCE

7.1 Performance against target response times

Details	Target/Response	Qtr. 1	
Request for information under the Freedom of Information Act	20 business days	1 received, 1 answered	100%
Service Requests	First response within 5 business days	157 of 172	91%
Safety complaints involving serious injury or damage	First response within 24hrs from notification received and acknowledged by PCC.	0 *	100%
Ongoing Doorstep crime	First response within 24hrs from notification received and acknowledged by PCC.	3 *	100%
Livestock welfare issue	First response within 24hrs from notification received and acknowledged by PCC.	9 *	100%
Illegal landing	First response within 24hrs from notification received and acknowledged by PCC.	1*	100%

* denotes that we have only included figures where, by our own protocols, we are required to provide a 1 day response due to the severity of the issue

7.2 Performance against benchmarks

7.2.1 Rogue trading

Number of rogue trader reports/enquiries received and responded to in Cambridgeshire, e.g. installation of memo cam, investigation, prosecution, referral, disruption of criminal activity:

	2014/15	2015/16	2016/17	2017/18 Qtr 1	2017/18 Qtr 2	2017/18 Qtr 3	2017/18 Total
Consumer complaints/reports responded to	42	19	14	24			
Business complaints/requests for service responded to	43	36	37	10			

Number of rogue trader early interventions leading to a reduction in the amount of money lost by the consumer:

2014/15	2015/16	2016/17	2017/18 Qtr 1	2017/18 Qtr 2	2017/18 Qtr 3	2017/18 Year end
18	9	7 (to date)	5			

7.2.2 **Investigations**

Number of prosecutions cases opened:

	2014/15	2015/16	2016/17	2017/18 Qtr 1	2017/18 Qtr 2	2017/18 Qtr 3	2017/18 Year end
Cambs	27	32	36	0			
Peterborough	13	17	12	2			
Ratio	27:13	32:17	3:1				

8 BUDGET

The Shared Trading Standards Service budget for 2017/2018 is £999,530. This amount is made up of the following contributions:

Cambridgeshire County Council £703,511
Peterborough City Council £296,019

The budget is proportionate to the previous resourcing costs of the respective authorities.

