

8<sup>th</sup> November 2016

Agenda Item: 8

## **REPORT OF THE SERVICE DIRECTOR SOUTH NOTTINGHAMSHIRE AND PUBLIC PROTECTION.**

### **UPDATE ON KEY TRADING STANDARDS MATTERS**

#### **Purpose of the Report**

1. The purpose is to:
  - a) update the Committee on key Trading Standards matters; and
  - b) seek approval to increase the Trading Standards establishment by 0.2FTE.

#### **Information and Advice**

2. **Primary Authority Partnerships** – as previously reported, the Service is able to enter into Partnerships with businesses in order to help secure their compliance with relevant and often complex law, through the delivery of bespoke advice and support. The partnerships allow the Authority to recoup the full cost of the support to the businesses by charging those businesses. The partnerships are managed by the Better Regulatory Delivery Office, part of the Department for Business, Energy and Industrial Strategy.
3. 'Assured advice' given under these statutory partnerships is binding on other regulators, giving our businesses the confidence to invest in new products or systems, knowing they can rely on the high quality and pragmatic advice. Our officers work with the businesses to ensure that they get things right first time, every time, and they promote Nottinghamshire as a business friendly county by helping business to grow.
4. The Authority has recently entered into two new Primary Authority Partnerships, one with JTF Wholesale Limited, a well-known multi-site retailer based near Tuxford, and secondly Farmer Fear, a cider producer based near Sutton Bonington. Our officers are already working hard to support the businesses concerned, and help them to achieve their business aspirations, while fully meeting their legal obligations.
5. **Commercial Development Unit** – as Members will be aware, a team from the Service was recently involved in the pilot process of the Authority's Commercial Development Unit. The team worked with support from colleagues across the Authority to develop a proposal to increase the level of external income attracted into the Authority.

6. In October, the team presented the final proposal to the Chief Executive and other Senior Colleagues sitting as an assessment panel. The proposal developed is supported by an evidence pack, which explores the impacts and benefits of the approach proposed. Having passed scrutiny by senior officers, the proposal will now be considered by Policy Committee for formal approval in November. If accepted, oversight will fall on to the Community Safety Committee on an ongoing basis.
7. **Mass Marketing Scams Work** – our work to tackle the scourge of the mass marketing scammers continues, and moves into a new phase, courtesy of the Better Care Funding recently awarded by Adult Social Care and Health Committee. Committee Members will recall to obtain the funding, the Service made a strong case to show the detrimental impact of mass marketing scams on the ability of some of our Older Adults to live independent lives.
8. The funding has already been used to backfill and add a Trading Standards Officer into the team, and at the end of October, it will be further enhanced when joined by a Community Care Officer.
9. The Police Community Support Officer that has been supporting the work ends her secondment with us on 21<sup>st</sup> October. Her efforts have been greatly appreciated.
10. Two recent examples of scam interventions include:
  - Officers visited a resident who first came to our attention via a MASH referral for a doorstep crime incident. During the visit, 28kg of scam mail was removed from the resident's home, most dating from 2004 to 2012. We are now monitoring the situation to see how much post is currently being received, to gauge the current extent of the problem. As ever, we will work closely with other key agencies providing support to protect him from a range of frauds. We are unsure as to exactly how much money has been lost, and probably will never know.
  - Officers make regular referrals to Nottinghamshire Fire and Rescue having identified potentially dangerous situations. Following a visit to a scam victim, officers identified that the daughter would be unable to escape the property in the event of a fire due to her disabilities. Further, her family would be unable to support her due to their own difficulties. Our officers made a referral, advice has been given on fire safety, and fire crews are now aware of the situation in the property.
11. **Banking Protocol** - work to develop a Banking Protocol for Nottinghamshire has begun, to try and improve links with the banks and building societies, and to encourage consistency in reporting of doorstep crime and scam issues.
12. **Friends Against Scams** – A national 'Friends Against Scams' campaign ([www.friendsagainstsams.co.uk](http://www.friendsagainstsams.co.uk)) has been launched, by the National Trading Standards Scams Team. The aim of the project is to protect and prevent people from becoming victims of scams by empowering communities to take a "Stand Against Scams".
13. **European Commission Directorate General for Health and Food Safety (DG HFS) - Fact Finding Mission** – The Food Standards Agency (FSA) has contacted the Service as

one of the County's premises has been selected for visit by the DG HFS (formerly the Food and Veterinary Office (FVO)) on an upcoming fact finding mission in November.

14. The business is the representative of a number of third country establishments that export certain animal feed additives into the UK. The DG HFS is coming to the UK in order to gather information on the UK's implementation of the system of controls on imports from third country establishments. This mission will look at all controls nationally, locally, and at ports at individual feed businesses.
15. It is likely that DG HFS will want to gain a good understanding of the business, the nature and scale of products it imports from outside the European Union, and what it undertakes in its role as a third country representative. It will also explore the official controls the business is subject to by Trading Standards and relevant control processes the business has in place for ensuring the safety of feed it imports from outside the European Union.
16. **Illicit Tobacco** – officers continue to work closely with the Police and other Local Authorities in sharing intelligence to tackle the illicit tobacco supply in the County. There are currently 16 individuals on Police bail suspected of committing crimes relating to the supply of illicit tobacco. These relate to on-going investigations into 4 shops within the County.
17. For the second quarter of this financial year, 227,000 cigarettes (over 11,000 packs) have been seized plus over 800 individual packs of hand rolling tobacco, with a retail value of £102,000 and £15,000 respectively.
18. **Approved Trader Scheme - Check a Trade** – following the end of the free trial period for existing Buy with Confidence members, we currently have 196 live approved traders, and there are 10 new applications currently being processed.
19. **Animal Health** – Officers have been working with the Animal & Plant Health Agency (APHA) regarding a farmer from North Nottinghamshire who had permitted the transport of sheep on two separate occasions that were not fit for transport due to horns in-growing into the eyes. It is an offence to transport livestock that are either psychologically or physically unfit. This farmer had also sent a heavily pregnant sheep to a Derbyshire slaughterhouse, giving concerns over his abilities to manage animal welfare and disease issues effectively.
20. Derbyshire and Nottinghamshire Trading Standards both issued formal warnings which were also recorded with the relevant Farm Assurance Schemes (an industry self-regulation mechanism). A joint inspection with APHA of the farm was then conducted to ensure compliance for disease control and animal feeding stuffs purposes – no further issues were identified, but he will be closely monitored going forward.
21. **Metrology (Weights and Measures) Quality Manual Peer Audit** – duly appointed external auditors from other Local Authority Weights and Measures Departments recently visited the Service to ascertain that the Authority remains competent to hold notified body status to carry out European wide verification for specified and highly specialist weighing and measuring equipment. The closing meeting of the audit was positive, with no major non-conformances identified. We await formal written confirmation of the outcome.

22. **Petroleum** – Officers have been working closely with Nottinghamshire Fire & Rescue Service's Persons at Risk Team (PART) regarding a resident who was storing petrol driven gardening equipment in a ground floor flat, putting himself and others at risk.
23. A strong smell of petroleum coming from the flat was first reported by the ambulance service, and raised concerns due to the material stored, and the living conditions of the resident. Working with the PART team, the resident was informed and educated and was helped to move the machinery into alternative storage in a lockable garage.
24. **Psychoactive Substances** – since the introduction of the Psychoactive Substances Act and the clarification in the roles of Trading Standards Officers and the Police in enforcing the legislation, a partnership approach has been developed to allow effective information sharing and targeted Police led enforcement.
25. Force Intelligence at Nottinghamshire Police incorporates psychoactive substances into their misuse of drugs programme, which means that the sale and use is closely monitored throughout the County, alongside classified drugs. This allows for all intelligence to be collated centrally so that it can be disseminated quickly and acted upon appropriately.
26. Through this approach, information has been received about six recent collapses that have occurred in Northamptonshire directly linked to one type of psychoactive substance. There is nothing to suggest the particular substances or batches in question is currently available in Nottinghamshire, however given the proximity, it is important that we are vigilant, and react to any reports.
27. Nottinghamshire Police have already issued a media release alerting residents to the dangers, however as with all such incidents, the specifics about the brand and batch remain classified, as we need to avoid people deliberately trying to source it, use it, or to advertise their own.
28. **Regional "Scambusters" Team – Operation Spinnaker** – On 27<sup>th</sup> and 28<sup>th</sup> October, 10 individuals are due to be sentenced at Nottingham Crown Court for their part in an advertising fraud that targeted small businesses across the United Kingdom and Europe.
29. At the height of their activities, the turnover of the group of businesses is estimated to have been £7m per year. The group used high pressure sales techniques, exaggerated distribution figures and often misleading businesses into thinking that their publications would be promoted at high profile events.
30. One common tactic employed involved contacting businesses to announce they had won an 'award' from one of their publications, but would only ever be received for a fee. There were also numerous occasions where the group made unauthorised withdrawals from customers' credit and debit card accounts.
31. The sentencing comes at the end of a 5 year investigation, one of the most significant tasked to one of the national Scambusters teams. Throughout this period, the investigation has been fully funded by government funds, latterly channelled via the National Trading Standards Board.

32. **Operation Schooner** - the team has been tasked an investigation in to the activities of two companies involved primarily in the supply of environmental/green technology products. It is believed a number of the actions of the companies may constitute fraud, with a significant number of elderly and vulnerable consumers having lost significant sums of money.
33. In what is an all too familiar way of operating, many victims have been sold unsuitable equipment, received poor workmanship, not received necessary documents, not had work undertaken at all, and some have not had deposits returned when requested.
34. In recognition of the national significance of the case, the Trading Standards National Tasking Group recently awarded national funding to our team to progress the investigation.
35. **Legal Action Update** - On the 22nd April 2016 Mr Hassan, Mr Salah and Mr Kadir were arrested for the supply and possession of counterfeit and dangerous cigarettes. The supply is connected to the retail store known as Andrews News and Booze at Sutton in Ashfield.
36. All three were sent to the Crown Court, and subsequently appeared on the 23<sup>rd</sup> May. Mr Khadir pleaded guilty to the charges, whilst Hassan and Salah pleaded at a later time with sentencing listed for the 21<sup>st</sup> October 16. A third person, Rekant Azizi, has been joined into the case, has also pleaded guilty, and is due for sentence on the same day.
37. Mr Salah had been previously dealt with by Trading Standards, selling dangerous cigarettes in the same shop. He was given a 4 month suspended prison sentence with 130 hours unpaid work. Another defendant, previously dealt with linked to this shop, was Ms Rudminate and she was given a conditional discharge and costs of £190.
38. Sherzad Mohammad linked to both Annesley Road Stores and Hucknall Mini Market, Hucknall appeared in the Nottingham magistrate's court on the 10<sup>th</sup> May 2016, charged with the supply and possession of counterfeit and dangerous cigarettes. His case has been sent to the Crown Court for sentencing in October as he has pleaded guilty. Further offences have since been identified and Mr Mohammed's case has now been listed for trial in June 2017, where he will be sentenced for the original matters following the trial for these new matters.
39. There have been a number of seizures and resulting prosecutions with regards to Hucknall Mini Market. These include Aziz Hussain, who was given 70 hours unpaid work and costs of £150, Soren Khder who was given £150 fine and £800 costs and Dana Mira who was given 100 hours unpaid work and £750 costs.
40. James Grozier of National Trade Windows were due for trial in the Northern Derbyshire Magistrates court on the 12<sup>th</sup> July 2016. Mr Grozier had been charged with Fraud offences and offences under the Consumer Protection from Unfair Trading Regulations. He had been taking deposits for work, namely replacement double glazed windows, and then not completing the work or refunding the deposits.
41. Grozier pleaded guilty before the trial, and was sent to the Crown Court, to be sentenced in early January 2017. Grozier has been prosecuted by the Service on two previous

occasions for similar offences, and had been given a total of 392 hours unpaid work and ordered to pay compensation of £6935.

42. Four individuals have now been charged with conspiracy to possess criminal property, namely illicit cigarettes. These are Hersh Mohammed, Alan Ali, Bakir Khalidi and Syrwan Mohammed-Ali. This is a joint investigation with Nottingham City, as two of the premises involved are within the City area. The premises in Nottinghamshire is Outram General Stores at Sutton in Ashfield. Their next hearing is listed for the 21<sup>st</sup> October 2016.
43. In the previous 12 months, Trading Standards have prosecuted seven other defendants connected with Outram General Stores, all for the possession of illicit cigarettes. Mr Alizadeh was given 80 hours unpaid work with £470 costs, while Mr Saidi was given 100 hours unpaid work. Mr Rassul who has been dealt with twice, had a combined sentence of 180 hours unpaid work and £300 costs, and Mr Kumal £165 fine and £50 costs. Mr Hussaini has been caught twice was given 150 hours unpaid work and ordered to pay £800 costs, Mr Kheder 60 hours unpaid work and £200 costs, and Mr Mohamed £360 fine and £220 costs.
44. Mr William Smith, Mr Andrew Smith and Mrs Christine Smith are due to appear in the Nottingham Crown Court on the 20<sup>th</sup> October 2016, individually charged with fraud by misrepresentation. The charges relate to claims made by the business they are involved with, Barn Bacon Limited, that its meat products were 'free range' and from its own farm, when Officers believe them to be untrue. The trials of all 3 are listed for April 2017.
45. On 22nd September 2016 Tyronne Beard, was given a Confiscation Order under the Proceeds of Crime Act by the Nottingham Crown Court following an extensive financial investigation. Beard was ordered to pay £60,081 (available assets identified), and had a criminal benefit figure declared by the Court as £613,163. The available amount has to be paid by 23rd December 2016, and should Beard fail to pay, he will face a default sentence of 4 months imprisonment. The £60,081 has been awarded to be repaid to the 65 victims.
46. **Trading Standards Staffing Structure** – this report seeks approval to make a minor amendment to the Trading Standards staffing structure. The Service currently has 9.2 full time equivalent (FTE) Band B level 4 Trading Standards Officers. One 0.8FTE Level 4 Trading Standards Officer is due to leave the Service shortly to take up employment elsewhere. To make the vacancy more attractive to recruit to, this report seeks approval to increase the post from 0.8FTE to 1.0FTE.
47. The estimated cost involved (£8.9k) is offset by savings of £3.2k made by the recent appointment of a level 3 Trading Standards Officer who requested to work a 34 hour week in a full time 37 hours per week post to assist with child care commitments. The net cost of £5.7k can be met from the Trading Standards staffing budget.

### **Other Options Considered**

48. With regards to increasing the staffing establishment, consideration has been given to advertising the 0.8FTE post.

## **Reason/s for Recommendation/s**

49. Knowledge of the market suggests it is unlikely we would get any applicants for a 0.8FTE role.

## **Statutory and Policy Implications**

50. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (Public Health only), the public sector equality duty, safeguarding of children and vulnerable adults, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **Human Resource Implications**

51. The vacant post will be recruited to using the County Council's vacancy control protocol. The recognised trade unions have been consulted and are in agreement with the recommendation to increase the staffing establishment.

## **Financial Implications**

52. This report largely contains no additional financial implications, with activity reported or that proposed being contained within existing service budget. The implications of increasing the establishment by 0.2FTE is £5.7k and that can be met from the existing staffing budget.

## **RECOMMENDATION/S**

- 1) It is recommended that the Community Safety Committee notes the updates from the previous meeting, and the various developments in the areas of work contained in the report.
- 2) It is further recommended that the Community Safety Committee approves increasing the Trading Standards staffing establishment by a 0.2FTE Band B Level 4 Trading Standards Officer.

**Paul McKay, Service Director, South Nottinghamshire & Public Protection.**

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### **Constitutional Comments (SLB 27.10.16)**

53. Community Safety Committee is the appropriate body to consider the content of this report subject to the Council's Employment Procedure Rules which require all reports regarding staffing structure changes to include HR advice, and for consultation to be undertaken with the recognised trade unions.

### **Financial Comments (CT 25.10.16)**

54. The financial implications are contained within paragraph 52 of this report.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- 'None'

### **Electoral Division(s) and Member(s) Affected**

- 'All'