

Sept 2016

Agenda Item: 12

**REPORT OF THE SERVICE DIRECTOR SOUTH NOTTINGHAMSHIRE AND
PUBLIC PROTECTION.****UPDATE ON KEY TRADING STANDARDS MATTERS****Purpose of the Report**

To update the Committee on key Trading Standards matters.

Information and Advice

1. **Illicit Tobacco** - Efforts continue to stem the supply of illicit tobacco in Nottinghamshire. In July 2016 a licence review was conducted on the premises Biedronka Max, a shop in Worksop with a history of selling cheap cigarettes on three occasions, this resulted in a revocation of the alcohol licence. An appeal against the decision was received and would have been heard in August but was subsequently withdrawn.
2. The work around illicit tobacco continues and the details of current prosecutions are listed below, one of note is a conspiracy involving four individuals which is due to be heard in the Nottingham Crown Court. This is a case that has been jointly investigated with Nottingham City, working together with the City to tackle this particular group has enabled the Trading Standards Department to lay more serious charges against the individuals involved.
3. **Animal Health** – The team have recently issued a caution to a sheep farmer. There is a legal requirement that once animals are moved on to a farm they cannot be further moved for 6 days, the evidence showed this farmer moved the sheep within this period. The legislation is in place to prevent the spread of animal disease.
4. **Primary Authority Partnerships** – As the committee is aware there is a legislative framework where Trading Standards can set up a nationally recognised partnership arrangement with businesses, where the business receives advice and guidance on their general systems, processes and product specific requirements. The assured advice provided is nationally recognised by other regulatory services who must take it into consideration in any dealings they may have with the company. The Service has recently developed three new partnerships with companies that have very different product ranges and thus differing needs for advice.

5. One of the partnerships is with a large regional wholesaler based within Nottinghamshire but with trading premises throughout the Midlands and the North East. They supply a wide array of consumer products which range from small household products, through electrical equipment to indoor and outdoor furniture. The company will mainly be looking for assistance in areas of product safety and fair trading.
6. Another partnership has been set up with a company that produces craft ciders. They are looking at expanding their production and are currently seeking contracts with large national retailers to supply their products. The company are looking for assistance with regard to their due diligence systems and product labelling
7. The final partnership is what is known as a co-ordinated partnership where the Service provides advice and assistance to an association on behalf of their members and so the benefit of the partnership is shared amongst smaller businesses that are based throughout the UK. The sector which the co-ordinated partnership represents is an area of suppliers to the food industry where the members consists of small businesses that struggle to obtain assistance and advice that will enable consistency within their sector.
8. **Regional “Scambusters” Team** – National Trading Standards Board (NTSB) Quarterly Report April – June 2016. This report highlighted activity across the 8 regional teams for the first quarter. It reported that a number of operations were concluded successfully after long running investigations and trials.
9. Across the teams 29 defendants received 36 years of prison sentences, £2,500 fines , 650 hours community service, 1 simple caution, two curfews and two company director bans.
10. Consumer detriment avoided through Scambuster intervention during the quarter reached just over £5.2m.
11. Confiscation Orders under the proceeds of Crime Act amounted to almost £14m and compensation awards to victims was £200k.
12. The teams continue to tackle those who prey upon the most vulnerable in our communities and the national and regional successes further highlight this.
13. Operation Summit previously reported was cited as one of the two largest and most complex investigations concluded in the period. The estimated fraud across the two criminal gangs investigated by the East Midlands team was estimated at £1.3m.
14. Operation Spinnaker – Is the largest investigation that has been tasked to one of the Scambusters Teams and concerns the activity of a group of businesses engaged in fraudulent selling of advertising. You will recall that earlier this year 10 individuals admitted their parts in this multi-million pound criminality and entered guilty pleas at the Crown Court. They will be sentenced for this at Nottingham Crown Court on the 27th and 28th October.

15. NTSB Programme Office review – On the 8th September the work of the team will be reviewed against the Scambuster's National Operating Model. The review team will concentrate on the areas of performance, value for money and best practice. The Committee will be updated on the outcome of this review at the next meeting.
16. **Legal Action Update** - Eight defendants pleaded guilty in the Nottingham Crown Court to a number of different charges under the Fraud Act 2006, the Companies Act 2006 and the Legal Service Act 2007. The eight were found to be mis selling trust documents to older and vulnerable adults, alleging that the documents would ring fence their properties against having to pay for care home fees. Sentencing of the eight was on the 13th and 15th Of May 2015. The three main defendants were given prison sentences, one to four and a half years and two to four years. The so called legal consultant and four salespeople were given suspended prison sentences, they were ordered to complete unpaid work all of 200 hours and one individual was given a curfew order for six months. A Proceeds of Crime hearing was listed for the 6th and 7th October 2016.
17. Paul and Peter Dye appeared in the Nottingham Crown court on the 25th August 2015. They pleaded guilty to the sale of illicit tobacco in shops at Stapleford and Netherfield on two separate occasions. Peter Dye was sentenced to 12 months in prison and Paul Dye to 2 years in prison. On 22nd December 2015 a Confiscation Order was granted in relation to Mr Paul Dye. It was declared that Paul Dye had benefited from his criminality he was ordered to pay £11,000.10. Peter Dyes POCA case was heard on the 21st July 2016 he was given a confiscation figure of £50,000.
18. Mr Hosmand Zada and Mr Edris Zadeh from Biedronka at Sutton in Ashfield appeared in the Mansfield Magistrates court initially on the 21st August 15. They were charged with sale and possession of illicit cigarettes and tobacco. Mr Zada pleaded guilty on the 8th September 2015 and was given 60 hours unpaid work. Mr Zadeh was sent to the Crown Court and appeared on the 25th January 2016, he pleaded guilty to the charges and was sentenced to 9 months in prison. A POCA hearing was heard on the 27th July 2016 and he was given a confiscation figure of £4090.
19. Luqman Ahmed of Kubus Mini Market, Worksop, appeared in the Mansfield Magistrates court on the 1st October 2015 charged with the possession of counterfeit cigarettes. He was found with over 1000 packets of illicit cigarettes. Three brands have found to be unsafe in that they will not self-extinguish if left unattended. The case was sent to the Crown Court and Mr Ahmed was listed for trial in August but entered a guilty plea before the trial began. He was given a 9 month prison sentence suspended for 2 years, a POCA application was made at the same time and he was given a confiscation figure of £6760. Mr Luqman Ahmed has been prosecuted by Trading Standards in the past along with his brother Sam Ahmed, Luqman Ahmed was fined £100 and £60 costs and Sam Ahmed £200 fine with £260 costs.
20. 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 Andrews News and Booze at Sutton in Ashfield. All three were sent to the Crown Court

and appeared on the 23rd May. Mr Khadir pleaded guilty to the charges, whilst Hassan and Salah pleaded not guilty. A trial date has been set for the 26th September 2016. 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.

21. A Rekant Azizi is also due to appear in the Mansfield Magistrates court on the 7th September 2016 facing charges for the supply of illicit cigarettes from the same shop.
22. Another defendant previously dealt with from this shop was Ms Rudminate and she was given a conditional discharge and costs of £190.
23. Sherzad Mohammad of Annesley Road Stores, Hucknall appeared in the Nottingham magistrate's court on the 10th May 16 charged with the supply and possession of counterfeit and dangerous cigarettes. His case has been sent to the Crown court, he pleaded guilty and he is due to be sentenced in October which should coincide with his POCA hearing. Annesley Road Stores is a new premise but Mr Mohammad is also charged with his involvement in Hucknall Mini Market.
24. There have been a number of seizures and resulting prosecutions for Hucknall Mini Market including 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.
25. James Grozier of National Trade Windows was due for trial in the Northern Derbyshire Magistrates court on the 12th July 2016. Mr Grozier had been charged with Fraud offences and offences under the Consumer Protection from Unfair Trading Regulations. He has been taking deposits for work, namely replacement double glazed windows and then not completing the work or refunding the deposits. He pleaded guilty before the trial and was sent to the Crown Court, he is to be sentenced early January. Mr Grozier has been prosecuted by this Service on two previous occasions for the same type of offences, he has been given a total of 392 hours unpaid work and ordered to pay compensation of £6935.
26. Emilia Ungureanu of Piatra Neamt in Mansfield pleaded guilty to one charge of possession of dangerous cigarettes at Mansfield Magistrates court on the 21st July 2016, she was fined £290.
27. Four individuals have been charged with conspiracy to possess criminal property namely illicit cigarettes. These are Mr Hersh Mohammed, Mr 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 premise in Nottinghamshire is Outram General Stores at Sutton in Ashfield. They are due to appear for an initial hearing in the Crown Court on the 28th September 2016.
28. In the previous 12 months Trading Standards have prosecuted seven other defendants connected with this shop all for the possession of illicit cigarettes. Mr Alizadeh was given 80 hours unpaid work with £470 costs. 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, Mr Kumal £165 fine and £50 costs, Mr Hussaini who has been caught twice was given 150 hours unpaid work and £800 costs, Mr Kheder 60 hours unpaid work and £200 costs and Mr Mohamed £360 fine and £220 costs.

29. Mr William Smith, Mr Andrew Smith and Mrs Christine Smith of Barn Bacon are due to appear in the Nottingham Crown Court on the 20th October 2016, they are charged with fraud by misrepresentation, in that they made claims that their meat products were free range and from their own farm when the Trading Standards case is that they were not.
30. The Service is also taking legal proceedings against Asda for the supply and possession for supply of out of date food. Some of the products were several months past their use by dates. The case is listed for trial in the Nottingham Magistrates on the 10th of November 2016.

Other Options Considered

31. None

Reason/s for Recommendation/s

32. This is an information report

Statutory and Policy Implications

33. 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.

Financial Implications

34. This report contains no additional financial implications, with activity reported or that proposed being contained within existing service 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.

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For any enquiries about this report please contact:

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Constitutional Comments

As this report is for noting only, Constitutional Comments are not required

Financial Comments

As this report is for noting only, Financial Comments are not required

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'