

10th July 2012**Agenda Item: 8**

REPORT OF GROUP MANAGER FOR TRADING STANDARDS

UPDATE ON KEY TRADING STANDARDS MATTERS

Purpose of the Report

1. To update the Committee on key Trading Standards matters.

Information and Advice

2. **Media coverage in the North of the County** - analysis of coverage in North Nottinghamshire shows that Trading Standards media releases attract good coverage both on local radio stations such as Trax FM, and in local 'printed' media such as the Retford Times and Worksop Guardian. Communications' colleagues report it is more challenging to secure television coverage. It is believed this is due to the fact the area lies at the border of two local television regions, some distance from studios. The Service will explore ways to address this issue.
3. **Naming those prosecuted in reports** - as previously requested, names of people prosecuted will be included in reports to the Committee and full Council.
4. **Scams** - the Service will continue to flag up relevant scams in order to help residents protect themselves and others. May was national Scams Awareness Month, and the Service launched a campaign highlighting a new lottery scam claiming links to the Olympics.
5. The Nottingham Post ran a double page article identifying 7 typical scams, and followed this up with an article concerning a resident who had fallen victim to timeshare resale. An officer was also interviewed on Radio Nottingham to warn residents about an Air Ambulance charity bag scam.
6. **Cheque cashing** - Third party cheque cashing is where a consumer 'cashes' the cheque with a business, immediately receiving the cheque amount in cash, minus a fee. The business then cashes the cheque via an arrangement with its bank. This is not a form of credit, as the business is essentially 'buying' the cheque from the consumer, and the consumer is not left owing any monies.
7. The practice is a "Money Service Business" though controlled by the Money Laundering Regulations. Businesses must register with Her Majesty's Revenue and Customs (HMRC),

or be supervised by the Financial Services Authority. HMRC are the supervisory body for the purposes of the Regulations.

8. Money Service Businesses are required to carry out 'due diligence' checks to prevent money laundering, such as confirming customers identities and keeping these records for 5 years. There are also requirements relating to staff training, and the need to monitor all transactions and report any suspicious activities.
9. **Pay Day Lending** - the Service has now visited the Nottinghamshire business identified by the Office of Fair Trading in its national review into this sector and has reported its findings back.
10. **Illegal Money Lending – 'Loan Sharks'** - the national Illegal Money Lending Unit, hosted by Birmingham Trading Standards, supports local initiatives designed to prevent people falling victim to loan sharks, for example by promoting access to legal and affordable credit options. The Service is meeting with the Unit to identify those areas most likely to be affected by Loan Sharks in the County, and to design interventions to tackle this.
11. **Consumer Credit Licence Applications** - The Office of Fair Trading (OFT) currently operates the UK consumer credit licensing system. For certain high risk businesses (such as debt collecting, debt adjusting and 'sub-prime' lending), the OFT pay Trading Standards Services to undertake thorough audits on such businesses that have applied for a licence. Officers visit the businesses concerned to look at systems and practices, and to inform the OFT's decision as to whether the business is fit to hold a consumer credit licence. The Service has carried out 6 such audits in the last 2 years.
12. **Product Safety** - at the time of writing, the Service has deployed three teams of officers to seize a quantity of suspected counterfeit air fresheners at various locations in the County. The counterfeit fresheners can contain very dangerous levels of chemicals that are hazardous to human health. They were brought to the Service's attention by members of the public following a feature on the recent 'Fake Britain' programme.
13. Officers have also been supporting a Nottinghamshire company to recall unsafe electrical vehicle heaters. The business withdrew the product immediately from sale, and put in place a product recall with the team's assistance to ensure the return of all units from customers, who are being refunded.
14. **Neighbourhood Alert** – allows the Police, Trading Standards, Neighbourhood Watch and other organisations to send targeted community safety messages to communities. 9,500 residents have now signed up to receive Trading Standards messages. Recent messages sent include an information request to mobility product purchasers, a warning about the new Olympic lottery scam, information on bogus charity collectors, and warnings about bogus traders in Hucknall and West Bridgford. Residents can register to receive messages at www.neighbourhoodalert.co.uk.
15. **Safeguarding the vulnerable** – the team continues to focus efforts on protecting those most in need. Recent cases include:
 - Officers intervened to assist an older women resident who had paid £500 in cash to a cold-calling tarmaccer. The 'tarmac' was in fact red paint, which washed off in the rain.

A Neighbourhood Alert message was sent out to warn local residents, and officers gave 'target hardening' support to the resident to stop it happening again.

- A safeguarding meeting was convened to work with Social Care and Police colleagues to protect an elderly resident befriended by known bogus property repairers.
- Officers have been supporting an elderly resident duped into paying over £2,000 in cash for a reclining chair bought for £600 from a legitimate local trader. Whilst there are no leads on identifying the perpetrator, the team will work with mobility retailers to flag up the issue.
- Officers secured a refund of £1,100 for an older person with Parkinson's, in respect of an adjustable bed. Having promised delivery in four days, the wrong bed was delivered three weeks later. For four months, repeated attempts were made to get the correct bed delivered. Following several failed attempts by the purchaser to get a response to a refund request, the retailer finally refunded after a Trading Standards Officer was called in to help.

16. **Changes to the controls on video games** – The Government have announced proposed measures to strengthen the law on age ratings on games. The changes would see the current system simplified and strengthened to offer better protection to young people, with all relevant games rated using the PEGI system (used across Europe) by the Video Standards Council (VSC).

17. The two most significant changes are firstly, that the VSC will have the power to refuse to grant an age-rating for a video game if it includes extreme content, meaning it would not be allowed to be sold - supplying a game without an age-rating would be an offence punishable by two years in prison and an unlimited fine. Secondly, the '12' age rating would be enforceable for the first time, and punishable by six months in prison and a £5000 fine for anyone selling such a game to someone under 12. Trading Standards has been identified to enforce the proposed changes.

18. **Olympic Torch Relay** - The Service is preparing for opportunist scams and crimes that the celebration might present. The Games' marks and symbols are legally protected by existing and special laws, and Trading Standards have a responsibility for enforcing this legislation. As the torch relay progresses, officers will keep a watching brief, identifying potential issues and liaising with colleagues in other areas.

19. Some officers will be marshalling the event, whilst a dedicated officer will be on standby for the multi-agency control room to contact should an immediate response be needed.

20. **Illicit Tobacco & Alcohol** - The Service continues to monitor the market for sales of counterfeit tobacco and alcohol, both of which pose significant public health risks. After publicity campaigns to raise awareness, the Service continues to receive useful tip-offs from the public. Recent calls resulted in a small seizure of illicit vodka from a retailer, while at another premises, 1,600 illicit cigarettes were recovered.

21. **Road Traffic Accuracy** - the Service recently verified the accuracy of the 'Dynamic Axle Weigher' at Saxondale, operated by the Vehicle & Operators Standards Agency (VOSA). The equipment is used by the Police and VOSA to tackle the menace of overloaded vehicles

on the County's roads. Because it can weigh each axle of a vehicle, the equipment helps to prevent accidents caused through poorly loaded as well as dangerously overloaded vehicles, in addition to reducing the damage caused to the highways.

22. **Newark Agricultural Show** - officers attended the show in May to ensure the welfare of livestock, and to carry out bio-security checks aimed at preventing disease spread. Over the two days, the movement licences of over 500 animals were verified. Of the infringements identified, none were found regarding Nottinghamshire animals.
23. **Environmental Weight Restrictions** - The Service has conducted 8 enforcement exercises since April, 6 of which were at existing Community Lorry Watch areas (Papplewick, Nuthall, Cropwell Bishop, Langar cum Barnstone, Coddington and Ravenshead), whilst 2 were in West Bridgford and Kirkby in Ashfield. Thirty (30) vehicles are currently being investigated for potential offences, and whilst a further driver has received a warning.
24. A number of new orders come into force in 2012, so the Service will survey the new restrictions to assess compliance levels.
25. **Handy Persons Adaptation Scheme (HPAS)** - Trading Standards and Social Care colleagues are working to recruit more 'Buy With Confidence' traders to the Handy Person Adaptation Scheme. The scheme helps to older and vulnerable people to remain living independently in their homes through access to reliable businesses to assist with adaptations to their homes.
26. Training sessions in Hucknall and Worksop in June will promote the scheme, run in partnership between the County Council, all District and Borough Councils, and the two health authorities.
27. **Primary Authority Partnerships** - Following the joint seminar with Rushcliffe Borough Council, two further companies have now signed up for a partnership, one a Pet Food Manufacturer, the other a large supplier of 'white goods'.
28. **'Real Deal'** - The Service is pleased that the new owners of Thoresby Market have now signed up, thereby agreeing to work hard to prohibit the sale of illegal goods there. In return, Trading Standards has been working with the organisers to support them in identifying such goods, and in policing the market. The Service will look to roll the Charter out to other responsible Market Operators if it proves to be a success.
29. **Regional Operations Unit ('Scambusters' Team)** - The review of the Consumer Law landscape has offered new opportunities. The Team has seized this, and has been given additional central Government funds to investigate bogus charity bags. The Team is also bidding for finance to support a large fraud investigation. The flexible structure and past experience in obtaining external grant money means the Service is well placed to exploit the new landscape, and attract extra resources.
30. The Team is leading an enquiry into a bogus roof treatment company. As well as investigating whether the treatment is effective at all, it is looking into several cases where large deposits have been taken without work being done, and also harassment allegations. Derby City Council will second a Trading Standards Officer into the Team to support the investigation.

31. **Legal Action Update** - The sentencing of Maxwell Stuart Alvey from Arnold, who had previously pleaded guilty to committing a number of fraud offences for reducing the mileages on vans, was adjourned from 4th May until 22nd June, pending medical reports.
32. On the 9th May, Graham Jenkins from Newark attended Worksop Magistrates Court in relation to poor quality work the authority alleges he carried out on several people's homes. He did not enter a plea, but the magistrates committed the case to the Crown Court to be dealt with.
33. A Mansfield man, James William Thomas, who had been selling counterfeit cigarettes and tobacco recently pleaded guilty to Trade Mark Act offences and tobacco labelling offences. He has been committed to the Crown Court for sentencing, and for the commencement of 'a proceeds of crime' hearing. A date has not yet been set.

Statutory and Policy Implications

34. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

It is recommended that the Community Safety Committee:

- 1) note and comment on the contents of this report.

MARK WALKER
GROUP MANAGER, TRADING STANDARDS

For any enquiries about this report please contact:

Mark Walker

Tel: (01623) 452 070

Email: mark.walker@nottsc.gov.uk

Background Papers

None.

Electoral Division(s) and Member(s) Affected

All.

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