



Trading Standards Joint Advisory Board

Thursday 23 November 2017 at 7.00 pm

Boardroom 5 - Harrow Civic Centre Civic Centre, Station Road, Harrow

Membership:

Members
Councillors:

Jones
Long
Perrin
Ferry
Mithani
Parmar

Substitute members:
Councillors:

Hector
S Choudhary

Kendler
Hall
Marikar

Representing
Borough:

Brent
Brent
Brent
Harrow
Harrow
Harrow

For further information contact:

(LB Brent) Nikoleta Nikolova, Governance Officer
0208 937 1587 nikoleta.nikolova@brent.gov.uk

(LB Harrow) Miriam Wearing, Senior Democratic Services Officer,
0208 454 1542 miriam.wearing@harrow.gov.uk

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit: www.brent.gov.uk/committees

The press and public are welcome to attend this meeting

Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also a Prejudicial Interest (i.e. it affects a financial position or relates to determining of any approval, consent, licence, permission, or registration) then (unless an exception at 14(2) of the Members Code applies), after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences**- Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

(a) Anybody of which you are a member or in a position of general control or management, and:

- To which you are appointed by the council;
- which exercises functions of a public nature;
- which is directed is to charitable purposes;
- whose principal purposes include the influence of public opinion or policy (including a political party of trade union).

(b) The interests a of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the electoral ward affected by the decision, the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who employs or has appointed any of these or in whom they have a beneficial interest in a class of securities exceeding the nominal value of £25,000, or any firm in which they are a partner, or any company of which they are a director
- any body of a type described in (a) above.

Agenda

Introductions, if appropriate.

Election of Chair for the meeting (from amongst the Brent members)

Apologies for absence and clarification of alternate members

Item	Page
1 Election of Chair	
2 Declarations of personal and prejudicial interests	
Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.	
3 Minutes of the previous meeting	1 - 6
4 Matters arising	
5 Deputations (if any)	
6 Annual Report	7 - 28
This report details the work of the Trading Standards Consortium for 2016/2017.	
7 Proposal for Providing a POCA/Planning Enforcement Service to Harrow	29 - 38
This report sets out a proposal from the London Borough of Brent (LLB) to provide a service investigating planning infringements committed by those who have benefited financially from their breaches, carrying out financial investigations under the Proceeds of Crime Act 2002 (POCA) and providing advocacy services in subsequent legal proceedings on behalf of the London Borough of Harrow (LBH).	
8 Letting Agent Fee Legislation	39 - 44
The report sets out the legal requirement for letting agents to display details of fees they charge on their premises and websites, as set out in the Consumer Rights Act 2015.	
9 Scams Team Update	45 - 48
The report provides an update on the partnership between Trading Standards Service and the National Trading Standards (NTS) Scams	

Team a year on from its formation in respect of the sharing of information and receiving referrals from them.

10 Date of next meeting

8 March 2018

11 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services (London Borough of Brent) or his representative before the meeting in accordance with the constitutions of both councils.



- Please remember to **SWITCH OFF** your mobile phone during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.
 - Toilets are available on the second floor
 - Catering facilities can be found on the first floor near The Paul Daisley Hall
 - A public telephone is located in the foyer on the ground floor, opposite the Porters' Lodge



LONDON BOROUGH OF BRENT

MINUTES OF THE TRADING STANDARDS JOINT ADVISORY BOARD Thursday 11 May 2017 at 7.00 pm

PRESENT: Councillors Jones (London Borough of Brent), Long (London Borough of Brent), Ferry (London Borough of Harrow), Mithani (London Borough of Harrow) and Parmar (London Borough of Harrow)

Apologies for absence were received from: Richard Le-Brun (Environmental Services Manager , Harrow) and Venetia Reid- Baptiste (Harrow).

Officers in Attendance were:

Aktar Choudhury	Operational Director, Regeneration	(Brent)
Simon Legg	Regulatory Services Manager	(Brent)
Anu Prashar	Senior Prosecutor	(Brent)
Joe Kwateng	Governance and Civic Services	(Brent)

1. **Election of Chair**

RESOLVED:-

That Councillor Long be elected Chair of the Board for the meeting.

2. **Declarations of personal and prejudicial interests**

None.

3. **Minutes of the previous meeting - 24 October 2016**

RESOLVED:-

that the minutes of the previous meeting held on 24 October 2016 be approved as an accurate record of the meeting.

4. **Matters arising**

Illicit tobacco sales

Simon Legg (Regulatory Services Manager, Brent) pointed out that the Home Office guidance issued under the Licensing Act 2003 specifically states that the sale or storage of smuggled tobacco and alcohol from licensed premises, should be treated as a serious matter. Whenever possible, the Trading Standards Service takes action with the Council's Licensing teams to review or vary retailers license conditions when such products are found.

He added that variations of conditions are only effective provided adequate resources were available to monitor that the additional conditions were being complied with.

Test purchase and underage sales

Members heard that test purchases were conducted with undercover purchasers. The Trading Standards Service had to observe a Code of Practice for test purchases. This states that a test purchase can only be made where there is evidence of it being necessary. Simon Legg added that in the case of major retailers, unless there was specific information, it was assumed that they followed their controls and procedures for preventing such sales. Some major retailers had extra precautions in place made under their Primary Authority agreement. Consequently, premises of major retailers were infrequently visited. He continued that Trading Standards Service of both Brent and Harrow exchanged information and worked in close partnership with the officers in the licensing teams.

5. **Deputations**

None.

6. **Trading Standards Fees and Charges 2017/18**

Members received a report that provided them with information concerning the proposed level of fees and charges to be made by the Brent & Harrow Trading Standards Service during 2017/18.

Simon Legg (Regulatory Services Manager) clarified that there were 3 types of fees as follows:

Statutory fees which were set nationwide by Government and accordingly, local authorities had no discretion to vary them. The fees apply to explosive (firework) licenses charged by the Harrow team but in Brent, this function was carried out by the Licensing Team. The fees were set by the Health and Safety Executive who applied a small rise in them from 6 April 2016. The increase in fees had typically been between £1-10.00 as set out in the report.

Another form of statutory fee was the Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014, reported to the Board's meeting in October 2016. Although the legislation allowed that a monetary penalty of up to £5,000 can be imposed in some circumstances where a breach had taken place, but gave the local authority the option to determine what level it wished to set the fee. A proposal to reduce the fee by 50% for an early payment made within 14 days, subject to any mitigating factors that the terms of the Order required the Council to consider, was agreed by Cabinet in April 2017.

A **RPI escalator** applies to Primary Authority partnerships where the Service had partnered with businesses who work across the whole of the UK and who had chosen to receive their advice and guidance from one regulatory service as opposed to multiple authorities wherever they trade. Section 31 Regulatory Enforcement and Sanctions Act 2008 provides that a local authority is entitled to charge a business on a 'cost recovery' basis, for primary authority services supplied

through the partnership. Brent's Executive agreed a report titled "*Introduction of a Charge Based Regulatory Advice Service for Businesses*" in June 2013, to increase the rates charged for primary authority advice, on an annual basis on 1st April each year by the annual change in the Retail Price Index (RPI) for January of the year concerned. The Office of National Statistics assessed a variant of RPI called RPIJ and using this, at January 2017, the 12 month rise was 1.8%. Simon Legg drew members' attention to the table in the report that showed the proposed increase to the hourly rates charged for primary authority service.

The remaining fees the Council has **discretion to determine annually**, with any change in the fee being set each year according to prevailing circumstances. He continued that in order to attract work, the service needed to remain competitive with fees charged by other local authorities or private businesses in some circumstances. The prevailing rate of RPIJ, i.e. 1.8% has been used to determine the suggested fees for 2017/18. In relation to fees for weights and measures work, the local authority can charge 'such reasonable fees as we determine' for carrying out our duties under the Act (only S11(5) and S49(4) of the Weights and Measures Act 1985). To assist setting these fees, officers recommended following annual guidance issued by the Association of Chief Trading Standards Officers (ACTSO).

Simon Legg explained that the authority was currently in discussion regarding increasing the hourly rate for officers working at Wembley Stadium events up to £40 per hour. These discussions formed part of the S106 Town and Country Planning Act 1990 (as amended) agreement, designed to mitigate the impact. He updated members that Brent Planning Committee had approved an application to increase full capacity events at the stadium each year.

RESOLVED:-

That the report on Trading Standards fees and charges 2017/18 be noted with no comment on the proposed fee increases.

7. Brent & Harrow Trading Standards Proceeds Of Crime Update

Members considered a report that updated the Joint Advisory Board on work carried out by the Financial Investigation Team since its establishment in 2012 and on the future implications and concerns of work carried out under the Proceeds of Crime Act 2002. Simon Legg explained that the Proceeds of Crime Act 2002 (POCA) was a piece of legislation used in relation to confiscating money that had been acquired as a result of crime. The Act also provided Accredited Financial Investigators (AFI) with a robust set of powers for investigating, restraining and confiscating assets as recovering the proceeds of crime remained one of the government's top priorities for law enforcement.

In 2012 Brent and Harrow Trading Standards Service established a dedicated Financial Investigation Team to take advantage of the opportunities offered by POCA to ensure that criminals did not financially benefit from wrongdoing and that confiscated proceeds of crime could be used towards the cost of carrying out investigations.

The Government introduced an incentivisation scheme to encourage authorities to use POCA. The scheme, administered by the Home Office, allowed local authorities

to retain a percentage of all successful confiscation orders obtained, when they were paid. He drew members' attention to the relevant table in the report from which it was noted that since April 2011 the team had secured 60 confiscation orders resulting in a total £2,053,376.43 payment from the Home Office under the incentivisation scheme and that Brent and Harrow Trading Standards had received £662,168.68.

Members heard that from April 2011 to December 2016 the team received 271 referrals. These included 73 from Brent & Harrow Trading Standards, 68 from services within Brent Council, 13 referrals from services within Harrow Council and 44 referrals from other London Boroughs. Although some referrals were still under investigation, many would lead to successful confiscation orders. Following each referral, a financial investigation was commenced in order to establish the benefit made from crime and where appropriate, cases were progressed through the Court system using the confiscation regimes set in place by POCA

Anu Prashar (Senior Prosecutor) drew members' attention to examples of successful cases which included the following: Confiscation proceedings to recover the rental income made as a result of renting nine unauthorised self-contained dwellings from a single dwelling. This resulted in an order under POCA for £494,314.30 for which Brent Council received 37.5% amounting to £185,367.86.

In one Brent planning case a confiscation order was made against a property developer for £1,438,180.59 following the conversion of a property into 12 dwellings without planning permission. Following an Enforcement Notice in relation to the property which was ignored, a confiscation order was the subject of an appeal and was later reduced to £544,358.00 and resulted in Brent Council receiving 37.5% of this order, £204,134.25.

In July 2015 a confiscation order was made at Harrow Crown Court against a seller of counterfeit headphones for £43,642. The order has since been paid in full and Brent and Harrow Trading Standards received £16,365.75.

Simon Legg then highlighted the need for additional resources to be made available to the Trading Standards Service if it were to establish a proactive service which focused specifically on POCA investigations. He then referenced a quote from a supplier for a tool kit to carry out the mundane task of recording financial information such as bank account statements. The estimated cost was £5,150 for the first year including set up and training and then an annual licence fee of £4,115. He added that the availability of the tool kit would greatly enhance investigations and thus generate more income to the service. He recommended investing in such a system during the forthcoming financial year if the Service were to remain competitive and maintain its reputation as a leading authority in POCA investigation.

In welcoming the report, members endorsed the recommendation for the service to invest in a tool kit for recording mundane information at a cost of £5,150 and an annual licence fee of £4,115.

RESOLVED:-

That Brent and Harrow Trading Standards Service accept the quote from a supplier for a tool kit for recording mundane information at a cost of £5,150 and an annual licence fee of £4,115.

8. **Trading Standards Work Plan for 2017/18**

Members considered a report that provided information concerning Brent & Harrow Trading Standards Work Plan during 2017/18. Simon Legg (Regulatory Service Manager) informed members that the team was entering 2017/18 with several vacant posts and that a priority at the beginning of the year would be to recruit new, enthusiastic staff to the team to complement the existing officer's skills to ensure the team maintained 19 FTE staff. He continued that the Service had the benefit of an investigator funded by National Trading Standards Board, Tri Region Investigation Team and continued to employ two Financial Investigators who conduct investigations generated not only from within our own Councils, but also on behalf on various other external agencies. Their duties and outputs produced, are measured differently and are outside the scope of this work plan.

Simon Legg set out the assumptions made in determining the work plan for the coming year as follows;

- Most of our work would now be reactive (complaint-driven) rather than proactive except for pre-planned project work.
- All complaints received for investigation would be risk-assessed via our matrix and would only be investigated if the relevant threshold was reached.
- The Service would always respond to reasonable requests from local businesses seeking advice and support up to the agreed number of hours and/or steer business towards primary authority advice.
- Priority would be given to commercial activities which generated an income .
- Demand would be managed and where possible by signposting service users to other resources and encouraging greater use of on-line advice and information.
- Promotion of our work as much as possible to act as an educational resource or deterrent warning when applicable

He drew members' attention to the list of high priorities set out in the report highlighting the following:

Most complained about traders

Niche and illicit tobacco products including Shisha bars

Estate Agents and Lettings Agents.

He also drew members' attention to the work volumes for 2017/18 for both Brent and Harrow Trading Standards and added that the work volumes would be kept under continuous review and reported quarterly, to ensure that they were being implemented effectively and progress being made. Members heard about the following projects planned for the year:

Alcohol substitution in partnership with Licensing, Police, Health and Safety and funded by Diageo.

Estate and Letting agents boards which were being displayed longer than necessary instead of being removed 14 days after completion. This project was in partnership with Planning Enforcement Team and Private Sector Housing.

Skin line products subject to a funding bid being administered by London Trading Standards

Possible enforcement of overweight vehicles using local roads where a weight limit applied, in partnership with the Police.

Simon Legg then outlined the departmental service plan and the key performance indicators as set out in the report. He continued that the Service would focus work in relation to knives and would share information with Community Safety Team to allow officers to build a clearer picture of the sources of knives as well as to make traders more responsible as to who they sold to. In response to a member's request to focus on electric blanket, Simon Legg stated that there was not sufficient demand to justify prioritising that in view of constraints on available sources.

RESOLVED:-

That the report on Trading Standards work plan for 2017/18 be noted and members were in agreement with the volumes and areas of work in which the Service should focus over the coming year.

9. **Date of next meeting**

Members agreed to the request for postponement of the meeting in June 2017. The next meeting was provisionally calendared for 23 November 2017

10. **Any other urgent business**

None.

The meeting closed at 8.25 pm

J. LONG
Chair

**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
23 November 2017
Report from the Service Manager**

FOR INFORMATION

ANNUAL REPORT 2016/2017

1.0 Purpose of the Report

- 1.1 This report details the work of the Trading Standards Consortium for 2016/2017.
- 1.2 Paragraph 31 of the Consortium Agreement between the London Borough of Brent and the London Borough of Harrow provides that an annual report 'shall be presented for information to the Joint Advisory Board and shall include details of the Service levels provided for both Councils, during the Financial Year to which it relates'.

2.0 Recommendation(s)

- 2.1 That Joint Advisory Board Members consider the report and comment where appropriate.

3.0 Detail

- 3.1 The Trading Standards Service is provided on a consortium basis for both the London Boroughs of Brent and Harrow. In accordance with the agreement between the two boroughs, an annual report is presented to the Trading Standards Joint Advisory Board providing an overview for Members of the work carried out by the Service. The report for the year 2016/2017 is attached for Members' information and consideration. .

4.0 Financial Implications

- 4.1 The Trading Standards Service for 2016/17 was provided within its agreed overall budget of £313,710.

5.0 Legal Implications

- 5.1 There are no legal implications arising from this report.

6.0 Equality Implications

- 6.1 The proposals in this report have been screened to assess their relevance to equality and were found to have no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Ward Members do not need to be consulted about this report as it is intended to provide information to the Joint Advisory Board and makes no key decisions affecting either of the boroughs.

8.0 Human Resources/Property Implications

- 8.1 There are no staffing or property implications arising from this report.

Any person wishing to obtain more information should contact Simon Legg, Senior Regulatory Service Manager, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ. Telephone: (020) 8937 5522, simon.legg@brent.gov.uk

SIMON LEGG
SENIOR SERVICE MANAGER



Brent & Harrow Trading Standards

Annual Report
2016-2017

Contents

Introduction	3
Budget.....	4
Supporting Business.....	5
Primary Authority	5
Inspections	5
Trader Enquiries.....	6
Responsible Trader Scheme.....	7
Trading Standards Webpage.....	7
Special Treatment Workshop	7
Assisting Consumers	8
Responding to Service Requests.....	8
Loan Shark Awareness Event	8
Attending local Crime Reduction Events	9
Investigations.....	10
Underage sales.....	11
Rogue Cold Callers	11
Working with NTSB Scams Hub	12
Shisha	13
Online Commerce	13
Financial Investigations.....	14
Brent Team Investigations	15
Harrow Team Investigations.....	16
Performance	17
Complaints of Dissatisfaction about the Service	17
Compliments about the Service.....	18
Freedom of Information Requests.....	19
Training and Qualifications	19
Publicity.....	19
Staff Member Highly Commended	20

Introduction

This Annual Report highlights some of the key work outcomes delivered by the Trading Standards Service for the period of the April 2016 to March 2017.

The Service is managed by Simon Legg with Anu Prashar and Samuel Abdullahi covering the two Team Leader roles for most of the year.

The Service Manager reports to an Operational Director, Aktar Choudhury who responsible for the 'Standards and Enforcement' team which includes Trading Standards, Food Safety and Planning Enforcement. This team sits within the wider Regeneration and Environment directorate.

The Service has sadly lost three valued, long term members of staff during this period with a fourth being off from 2017 on maternity leave. Recognising the current financial challenges faced by the public sector, the Service has operated throughout 2016/17 with reduced levels of staffing following these departures and existing staff vacancies in order to assist achieving required departmental savings.

This has inevitably effected the performance of the Service in some areas of work. Nevertheless, staff have worked hard throughout the year to deliver a range of successful outcomes.

The Trading Standards profession has been subject to several national reviews during this period many of which recognise the resourcing difficulties faced by local authorities. The broad consensus of these reports, is that regional working is the way the profession to find economies of scale and to match the skills its offers, to the needs of an area.

Our joint consortium offers a micro example of the sort of regional working that is being suggested. I am certain that the continued partnership between the London Borough of Brent and the London Borough of Harrow has made the Service more resilient to some of the demands placed upon us during the year and has contributed to some of our successes.

Consumers in the UK take a lot for granted such as the products they buy being safe, not be defrauded, the things they buy by volume or weight are correct and that businesses trade in a fair environment. Our work is central to creating a well-placed, confident and prosperous market. I hope the work in this report evidences our commitment and contribution to making this happen.

Budget

The joint partnership between Brent and Harrow, means that the consortium is able to share many of the costs associated with providing the Service to help provide efficiencies. Throughout the year, all expenditure was kept to the absolute minimum following a forensic review of all budgets throughout the whole of the Regeneration and Environment directorate and income opportunities were maximised.

The table below shows the consortium budget since 2008/2009:

Date	Budget
2008/09	£1,772,000
2009/10	£1,702,000
2010/11	£1,673,000
2011/12	£1,274,000
2012/13	£1,274,000
2013/14	£1,299,000
2014/15	£ 864,000
2015/16	£ 379,600
2016/17	£ 313,710

It should be noted that the budget from 2014/15 is not a like for like comparison due Brent Council changing the way it accounts for overheads. Prior to 2014/15 costs such as accommodation, financial support, HR support, IT, telephones, printing, copying and administrative support were included in the services' budget costs. These components of the services' costs are now centrally accounted and this has made comparison of budget prior to 2014 difficult.

In addition, the service commits to meet the cost of providing our financial investigations team through a net contribution to the service from proceeds of crime of £250,000 p.a. This saw each Borough receiving £125,000 following the end of the financial year.

There was no change in the contribution to Brent from Harrow for these service costs for 2016/17.

Supporting Business

The Service has continued to contribute towards both Borough's objectives of supporting business growth by delivering effective regulation for the benefit of legitimate businesses. Some examples of us achieving this are summarised below:

Primary Authority

We continued throughout the year to promote the Department of Business, Energy & Industrial Strategy (BEIS) Primary Authority scheme to businesses offering assured, tailored advice to help businesses ensure that they comply with the law. The scheme enables businesses to form a statutory partnership with one local authority, providing robust and reliable advice for other councils to take into account when carrying out inspections or addressing non-compliance.

This helps reduce businesses costs and assures those in trade, that what they are doing will not be subject to challenge elsewhere. This is advice and support above that normally offered and local authorities are permitted to charge for the service to cover the costs of providing it. The charge for 2016/17 was either £54 or £68 per hour depending on the type of contract a business opted for.



An officer checks this Primary Authority Customer's Stock

I am pleased to report that during 2016/17, we recruited the national producer of beers and spirits, Diageo, to the scheme. We provided our other members with a total of 248 hours of Primary Authority advice. This is up on the previous year of 177 hours but is still below the 311 hours provided in 2013/14 which was the first year that we introduced this work.

We continually look for new members to recruit to the scheme and strive to attract larger contracts to generate a higher number of hours of support which we offer a business. In January 2017, an article offering our Primary Authority service was published in the 'Brent Business News' publication and we will continue to engage with business groups to market this service.

Inspections

All of our business inspections are conducted in on a risk based approach. They are not routine, instead being based on need determined by intelligence, risk and a trader's past compliance history.

On some occasions, the Consumer Rights Act 2015 applies to our officers which requires them to give two days written notice to business owners of their intention to carry out an inspection unless a specific exemption exists.

The number of inspections and comparisons to previous years, are shown on the table below:

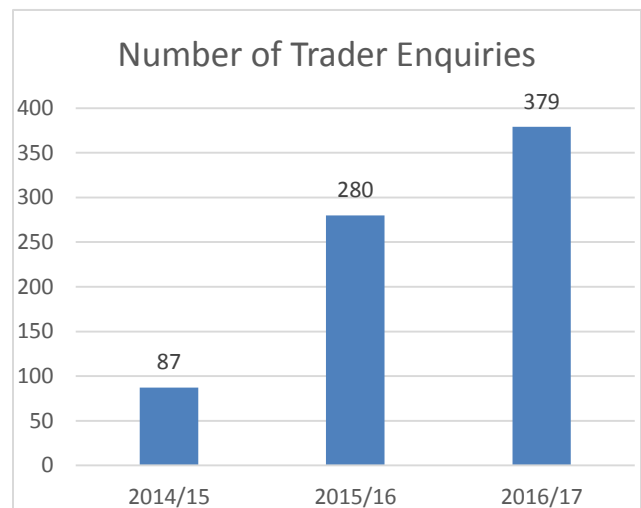


In our experience, it is a common myth that businesses find regulatory visits a burden on them. We find quite the opposite, with inspections providing a good opportunity to provide face to face contact, build relationships and for us to fully be able to understand what is happening in the borough’s businesses.

Trader Enquiries

When we are contacted by local businesses asking for our assistance or if a Primary Authority customer requests us to carry out some work for them, these requests are logged and recorded on our system as ‘Trader Enquiries’.

The table opposite shows the rise in the number of these enquiries. The greater number of requests received over the last two years is a clear reflection on the Service’s emphasis to better engage and offer greater support to our local business community. We aim to contact to all such enquirers within 48hrs of their enquiry being received (excluding weekend contacts).



Responsible Trader Scheme

The Service continued to promote the Responsible Trader scheme to all businesses in Brent & Harrow selling age restricted products following the scheme's refreshed training materials which were updated early 2016. The scheme is still free to join and provides businesses with training, advice and marketing materials to use with their staff and customers.

A total of 36 members received audit visit to ensure the scheme's terms and conditions were being adhered to and standards maintained.

Responsible
Trader Scheme



Trading Standards Webpage

During the summer of 2016, the Brent Council Trading Standards webpages were updated making them more eye-catching and user friendly. Importantly the Service was given its own link to our pages from the 'business' section of the website and a new page explaining the different levels of business advice available was created with increased options for making direct contact with us.

The advice page now includes a link through to the Chartered Trading Standards Institute's 'Business Companion' web tool which provides numerous quick guides and videos to support businesses understanding the law.

Special Treatment Workshop



Harrow officers assisted colleagues in the Harrow Licensing team deliver a workshop to holders of special treatment licenses during September 2016. The event provided us an opportunity to speak to multiple local business owners on rules regarding the supply of cosmetic products.

Assisting Consumers

Responding to Service Requests

Responding to consumer complaints about business has always been an important role for the Trading Standards Service in delivering its key priorities. Providing relevant and timely advice is fundamental to ensuring that members of the public are informed, more confident and have the ability to resolve their own disputes or enforce their contractual rights in the marketplace.

We continue to work closely with Citizens Advice Consumer Service who provide the first tier of advice to members of the public before sending us daily referrals via a secure computer system when consumers require further help to resolve an issue where there is an allegation of criminal law having been breached.

The Consumer Rights Act 2015 provided a new set of consumer rights such as a 30 day time period to reject faulty goods and also introduced rights in relation to digital content for the first time. This required officers to learn new legislation and pass this onto to consumers and businesses who often would have otherwise been very much unaware of these changes and still applied the old law.

It remains the case that we do not have the capacity to respond to every complaint that we are referred so a 'complaints matrix' is applied to prioritise those that we will investigate further. During 2016/17, we investigated 704 complaints received from members of the public, 399 from Brent residents and 305 from Harrow residents.

Loan Shark Awareness Event

In September 2016, we invited a speaker from the National Trading Standards Illegal Money Lending Team to speak at an event to raise awareness of loan sharks in our community. The idea behind the event was to inform people of what to look out for, provide confidence that concerns would be taken seriously and importantly, explain some of the work to make our communities safer and ensure that if people have to borrow money, they do this only after having sought proper advice from legitimate lenders.



Attending local Crime Reduction Events



The team have attended various events during the year supporting Neighbourhood Watch or other community groups. This offers important educational work and raises awareness of the Council's role protecting members of the public.

Events like this also provide a good opportunity to build relationships with other community groups.

With the growing awareness and increasing number of victims, we have attended two events focusing specifically on fraud and scams. It was pleasing to see that HSBC and Barclays banks each supported one of these events.

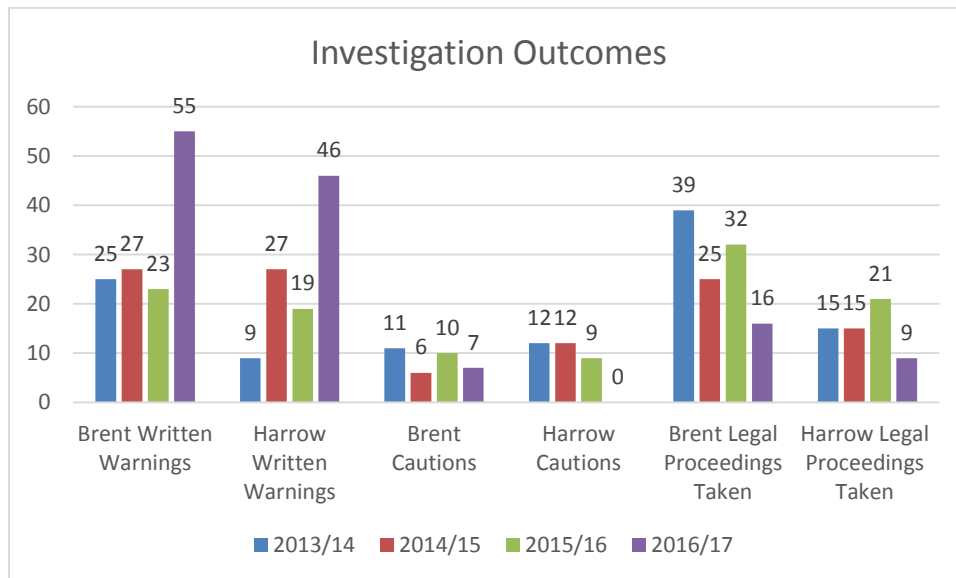
Investigations

Investigation reports are prepared and submitted by officers following allegations which have led to compelling evidence to prove the commission of a criminal offence(s). The outcome of investigation reports can include:

- No further action
- Re-inspection/advice
- Letter of warning/advice
- Simple Caution if the trader accepts their guilt
- Legal proceedings

During the year, the Brent Team submitted a total of 35 investigation reports and the Harrow Team a total of 22. This represents a reduction of investigations, down from 50 in Brent and 42 in Harrow the previous year.

The table below shows the number of formal actions taken last year alongside previous years for comparison. *The figure showing the legal proceedings can appear higher because in some cases, we may prosecute the company and its director. This would show as two examples of legal proceedings although it is only one business or case.*



Traders were fined a total of £20,785, down from £37,675 in 2015/16 and £39,630 in 2014/15. A total of £15,081 was awarded to us in prosecution costs, down from £28,560 in 2015/16 although ahead of 2014/15's total of £6,947 and £17,379 awarded in 2013/14.

The highest fine was £5,000 against a company convicted of selling counterfeit sew on badges online. This is comparable with the highest fine awarded the previous year which was for an online company selling counterfeit clothing who were fined £3,460.

The lowest fine was £175 imposed against a company director who illegally sold tobacco products which did not display the required statutory health warnings.

Underage sales

Our mystery shopping exercises continued throughout the year on the lookout for the small number of traders who think it is ok to sell age-restricted goods to children.

The following table shows the results of our test-purchasing in 2016/17, with an overall comparison to the previous year indicating a decline in the number of businesses selling age restricted goods. Whilst this decline is positive, these figures always vary year on year with early indications looking ahead to 2017/18 showing a rise in illegal sales, particularly in Brent.

Product	Test purchases (no.)		Sales (no.)		Failure rate (%)	
	Brent 2016/17	Harrow 2016/17	Brent 2016/17	Harrow 2016/17	Brent 2016/17	Harrow 2016/17
Alcohol	38	58	2	2	5	3
Tobacco	53	31	0	0	0	0
Knife	21	20	2	0	9.5	0
Fireworks	12	27	0	0	0	0
Spray Paint	0	0	0	0	0	0
E-Cigarettes	1	0	1	0	100	0
Video	0	0	0	0	0	0
Lottery	0	0	0	0	0	0
Total 2016/17	125	136	5	2	4	1.5
Total 2015/16	125	141	6	6	5	4

Rogue Cold Callers

During the year 10 'rapid responses' were provided to victims of rogue trading. Victims typically are taken in by the rogue's sales pitch which often starts with an agreement to complete works at a very reasonable price. Once the rogues start work, the price immediately rises due to 'unforeseen problems' or works are carried out which were not agreed. Often these works leave the homeowners property in such a state, they feel it necessary to commit to it continuing in order to put things back and repair the damage.

Our intervention in these call outs saved the victims an estimated £56,000 based on the sum being demanded by the rogues. Had we not intervened when we did, there is no doubt that this figure could have potentially risen much higher.

However, on many occasions, it is just not possible to get the homeowners their money back. In April 2016, a Harrow resident paid a cold caller £2,100 to repair her porch. For an unknown reason, he dug her driveway up and was never seen again.

A callout in February 2017 took officers to a house in Brent where the homeowner had agreed to pay £15 to a cold caller to clean his gutters. This work escalated to £15,000 for a replacement roof and a 50% payment of £7,500 in cash was made which saw some work to the soffits taking place. The builder wanted full payment before completing the job and phoned the victim whilst officers were at the premises. Once he found out we were involved, the trader cut the call off and has not been contactable since.



It is reassuring to see that the Police are now starting to become more involved with this type of crime and we work with them on many of these callouts. This is largely due to the 'banking protocol' that was introduced during the year. The protocol is an initiative hosted between the banks, Trading Standards and Police aimed at identifying customers who are in the process of being defrauded and implementing safeguarding procedures to prevent their repeat victimisation and further loss of funds. The protocol provides a method for bank staff to contact the Police when they have concerns about a customer withdrawing a large sum of cash which guarantees an immediate Police response.

This initiative has meant the Police are responding to many more rogue trader type of complaints than they have done previously, reducing the need for us to provide our repaid response service and reducing the chance of the rogue traders being able abscond if they are still at the homeowner's premises.

Both boroughs supported the national Operation Liberal during the year. This is a joint national Trading Standards, and Police initiative that runs annually to combat rogue builders and doorstep criminals. We conducted patrols with the Police and HMRC who were interested to identify whether people working as builders are paying their taxes correctly.

Working with NTSB Scams Hub

During the year, the Service formalised its work with the National Trading Standards Board (NTSB) Scams Hub by signing a service level agreement pledging to visit victims of scams. These visits allow us to assess whether the person is a repeat victim and if necessary to alert the appropriate agencies to provide the required support.

Despite attempts to raise awareness of scams, there are still a steady supply of referrals from the Scams Hub detailing local Brent or Harrow victims who had responded to unsolicited literature tempting them to win non-existent prizes. A separate report is to be presented to the Joint Advisory Board detailing our work in this area.

Shisha

The Service has worked alongside colleagues in the Food Safety Team and Community Safety assisted by the Police in a Brent borough-wide crackdown on illegal shisha venues. Of the 47 known shisha venues in Brent, 39 were not compliant with the applicable laws. The smoking of shisha poses the same health risks as cigarette smoking, illegal venues have been found to create smells and noise nuisance and be places where there is an increased risk of anti-social behaviour taking place.

We have offered businesses advice on achieving compliance with the law and carried out some of the late night visits to venues across the borough to monitor whether our advice has been complied with to prevent the smoking of tobacco in enclosed places.

This has resulted in multiple prosecutions of the offenders and several premises being forced to shut down following the receipt of closure orders. Following this work, the Leader of Brent Council, Cllr Muhammed Butt, wrote to the Home Secretary calling for the introduction of new legislation providing local authorities the better powers to regulate and enforce problem shisha businesses effectively.

Online Commerce

In previous years, Members have specifically enquired about the amount of time that is spent regulating the growing online marketplace. This is difficult to answer as many of our investigations involve some form of ecommerce but our database for recording work does not capture information that allows us to easily determine if goods or services were purchased in person or online.

What we are able to confirm is that when we specifically check advertising or terms and conditions belonging to an online trader, this work is recorded in a manner that enables us to report the amount of work undertaken. During the year, 104 Brent based websites were checked and 40 Harrow websites. This compares with 58 Brent-based websites and 53 Harrow websites the previous year.

In reality, I expect that we actually checked a much higher number of websites than this as it would routinely form part of an officers investigation to search for a business website and have a look at it when investigating allegations made against a businesses along with cursory checks on review sites to see what sort of feedback has been left a bout a trader.

Financial Investigations

A report specifically looking at our performance under the Proceeds of Crime Act 2002 (POCA) was presented to the Joint Advisory Board in May 2017. The legislation provides a power to confiscate money that have been acquired as a result of crime. The Act can be used to recover benefit made from all sorts of criminal conduct including benefit fraud, planning and environmental infringements and breaches of consumer protection laws.

Since using POCA the team, consisting of two qualified Financial Investigators, Lee Wenzel and Alpa Shah have secured 73 confiscation orders worth £7.5m.

When a confiscation order is paid, the money is divided in accordance with the Home Office Asset Recovery Incentivisation Scheme (ARIS), which means that 50% will go to the Government, whilst the remaining 50% is divided between the prosecuting authority (18.75%), the investigating authority (18.75%) and the court service (12.5%). During the financial year 2016/17 Brent Council received £369,435.80 from the Home Office as part of this incentivisation scheme.

Below are details of the confiscation orders the team secured during the financial year 2016/17.

During July 2016, an order was made against a landlord for £64,000 who converted a house in Brent into 7 self-contained dwellings without planning permission. I am pleased to report that the order has since been paid in full.

Another planning case followed in October 2016 when an order was made against a landlord for £80,080. On this occasion, a house in Brent had been converted into 5 self-contained dwellings without planning permission which had each been rented. Again, this order has now been paid in full.

In November 2016 an order was made in a Trading Standards case against a counterfeiter for £15,809. The trader, who sold illegal DVDs, was given 3 months to pay the order or face serving 7 months in prison. This order has also been paid in full.

Another case followed shortly afterwards in December 2016 when an order was made against a company for £250,000 after a planning breach had continued for a number of years. The single dwelling had been converted to eight self-contained flats and a flat in the garden. The company was registered in the British Virgin Islands and its Directors lived in Dubai but once a restraint order had been granted on the property, the individuals in control of the property came forward and the company was prosecuted. The property was in terrible state of disrepair as can be seen from the photos below:



We continue to work with and see more cases being referred from other London Councils who have requested our services for financial investigations. We intend to further promote the service we provide in the hope of securing more financial investigations and using our expertise to assist other local authorities using this powerful legislation.

Brent Team Investigations

2016 started with string of convictions against convenience store owners who stocked illegal cigarettes which did not display the correct health warnings and in some instances, oral tobacco, which is prohibited altogether in the UK. The highest penalty awarded was a fine of £1,600 and payment of costs totalling £1,081. In another case, the shop owner was fined £1,000 and ordered to pay costs of £961. This type work was very prevalent during 2016/17 as it followed the funding provided the previous year by Public Health to reduce the availability of illicit tobacco.

In August 2016, we concluded an investigation dating back to February 2015 against a Wembley Market trader. He was fined nearly £3,000 for selling fake branded luxury bags and purses from the now defunct Wembley Market. The Court heard how the defendant had been left in charge of the stall whilst the owner was away on holiday during which time he used cash from the stall takings to buy nearly 300 counterfeit bags and purses, containing brands which he then sold at a knock-down price.

The owner of a shop in Wembley High Road was fined £660 and ordered to carry out 100hrs of community service for his second offence of selling banned oral tobacco products and cigarettes without adequate health warnings and counterfeit cigarette lighters. In addition he was ordered to pay costs of £557. The same trader has since been caught selling doggy tobacco again suggesting the penalties imposed by the Court have not acted as any deterrent from his wrong doing.

In February 2017, a tyre company and its Director, were fined just under £2,000 after fitting a part-worn tyre costing £25 to wheel supplied by an undercover Trading Standards officer which was below the legal standard, and for possessing a further supply of unsafe tyres for sale. The illegal tyre was supplied despite the business being given comprehensive advice by Trading Standards on selling part worn tyres.

Harrow Team Investigations

A student funding his lifestyle through the sale of dodgy DVD boxsets was handed an 18 week prison sentence and ordered to carry out 80 hours of community service and pay prosecution costs of £2,766. The trader has been selling counterfeit discs from his bedroom via eBay and Gumtree since 2009, generating profits to more than fund his studies. When officers searched his house, they found an illegal stock of more than 900 DVDs, with an estimated value of £35,000.

A Harrow Market trader who was selling fake designer handbags and jewellery was fined £1,441 and also ordered to complete 100 hours community service. Our investigations found that she was carrying out the same illegal business in Hammersmith and Fulham where the Trading Standards there seized 150 items. When interviewed she claimed it was a hobby of hers, blaming the people who sold her the items for which there was no proof of purchase. A joint prosecution was taken to include offences from both local authorities.

In November 2016, another man who ran an illegal DVD business from his home, was given a 6 month suspended prison sentence, ordered to complete 100 hours community service and pay costs of £7,500. The Judge also made a confiscation order of £15,809.95 under the Proceeds of Crime Act. During the investigation, officers went undercover to meet the defendant in a car park, where he sold them the illegal discs. This was then used as evidence to apply for a warrant to search his home where they found a further supply of fake DVD boxsets ready to be dispatched to unsuspecting consumers.

In December 2016, we conducted a license review of a shopkeeper who was caught with almost a thousand litres of illegal alcohol for a second time. Harrow officers had been working with Her Majesty's Revenue and Customs officers who seized the alcohol, on which he had paid no duty, and hundreds of packets of tobacco which didn't carry the required health warnings or English labels. The Licensing Panel decided to completely revoke his alcohol licence.

Another prosecution for dodgy DVDs followed in December 2016 after an inspection of the defendants businesses premises uncovered 519 rogue titles which were either counterfeit or contained no age classifications. The business director and manager received a fine of £800, and they were each ordered to pay £815 in costs.

In addition to these investigations, the Harrow team have worked proactively with other colleagues from Harrow supporting multiple 'Days of Action' in Wealdstone, Queensbury, Rayners Lane, Harrow, Burnt Oak and South Harrow. These events provide a good opportunity for us to visit high street business premises on the lookout for illicit tobacco and alcohol which are readily available and at the same time, promote our Responsible Trader Scheme to businesses where everything is found to be ok.

Performance

Complaints of Dissatisfaction about the Service

During 2016/17, there were six formal complaints of dissatisfaction received about the Service. Whilst we would have preferred not to receive such complaints, this level of dissatisfaction is very low given how many customer contacts the Service carries out each year. None of the complaints were upheld.

These complaints are summarised below:

A resident made a complaint to Citizens Advice Consumer Service (CACS) who passed on advice and referred the matter to Trading Standards for our information only, with no commitment to contact the complainant. However, a technical error caused an automated email to be sent to hundreds of members of the public who had recently been added to the Service database, including this complainant stating that Trading Standards 'would be in contact'. The mistake was spotted and a follow up email was sent to those effected explaining that there had been a problem and apologising for the mistake that was made. The resident did not receive this follow up email and understandably, was annoyed that nobody had been in contact with them. Whilst we had to accept responsibility for the original email being sent, it was not our fault the second email was not received by the complainant and furthermore, the CACS had advised us there was no need to contact the complainant. The **complaint was not upheld**.

The complainant lived in Lambeth and was complaining about a business located outside of our area of jurisdiction. The complainant was unhappy that we would not investigate their complaint which we would not have done for a non Brent or Harrow resident. This was an **unjustified complaint**.

In similar circumstances to the above, the complainant lived in Edinburgh and was complaining about business who we had previously prosecuted but was now located outside of our area of jurisdiction. The complainant was unhappy that we would not investigate their complaint which we would not have done for a non Brent or Harrow resident. This was an **unjustified complaint**.

A landlord was unhappy that we would not investigate the letting agent who allegedly owed them rent. This was a civil dispute and the Service's civil advisory service was cut many years ago. The landlord also claimed the agent was not a member of a redress scheme but as the landlord and agent were based in Harrow and Trading Standards had not yet been delegated the enforcement of this function, the landlord needed to speak to Harrow's Housing Team. This was an **unjustified complaint**.

A consumer was unhappy that we would not assist with a civil claim to obtain a refund. The matter had already resulted in a criminal conviction following our investigation and subsequent prosecution but the complainant has not provided us with the required assistance to obtain compensation/a refund at the time. As we do not offer a civil advisory service and the complainant chose not to assist our criminal investigation, this **complaint was not upheld**.

A homeowner was complaining about their property management agent alleging that they had used false details to register with one of the redress scheme providers. Enquires showed the agent had valid membership and there was nothing to evidence any fraudulent membership so we concluded no investigation was necessary. This upset the homeowner causing them to complain about Trading Standards. This **complaint was not upheld**.

Compliments about the Service

On a positive note, I am pleased to report that we have received numerous letters of appreciation for the work we have carried out. Some examples of which, I have highlighted below:

'I regularly work with Trading Standards authorities from around the country, and rarely have I dealt with an officer with the commitment and passion for his work as Amar, who truly went above and beyond to find a quick resolution and kept us informed every step of the way'.

'I had asked for help through ATOL, ABTA and others with no help given. I then turned to trading standards and within 24 hours of the initial contact with Andrew, the travel agent phoned me and promised my refund. I have received the money and cannot express my gratitude strongly enough for the help provided by Andrew. I had been very stressed about the loss of a large sum of money and although I appreciate trading standards have many complaints to investigate, am convinced that I would not have the refunds without Andrews help'.

'I would like to take this opportunity to bring to your attention the very professional and highly valued support of two of your esteemed colleagues during our work with Trading Standards in Wembley yesterday. My German colleagues.... work in Brent was superbly assisted throughout the day by Andreas.....who tackled all of the sometimes difficult technical jargon with real gusto and contributed a great deal to the successful completion of this important work. Christine is fast approaching sainthood status within our company. Her tenacity and determination to conclude this difficult case has been a true inspiration to us all. Christine has a very professional and very dedicated approach which has, without doubt, kept this case on track throughout, at times, some rather challenging episodes'.

'Thank You Michael- most impressed with your speed of processing and issuing of License'

'Whilst writing it gives my wife and I the opportunity of thanking both of you {Paul and Paul} for all your time, advice, and assistance you have given us. As you know we are both Senior Citizens and sometimes circumstances take us out of our comfort zone. Without both of your intervention as part of the Brent Trading Standards Department we're not sure how we would have coped both financially and health wise. The stress and anxiety over the last few days has been immeasurable and both of you have taken so much weight off our shoulders'.

Freedom of Information Requests

The Service received 18 requests for information under the Freedom of Information Act 2000, up on the 8 requests received the previous year. I can confirm that all were responded to within the statutory timescale.

These requests related to a ranges of subjects broken down as follows: 1 request about underage sales, 1 request regarding skin lightening products, 3 requests concerning letting or estate agents, 2 requests enquiring about counterfeit alcohol or tobacco, 1 enquiry asking about a particular businesses, 4 requests about our procurement of goods, 1 general enquiry, 2 requests about building services, 1 request about scams, 1 request about secondary ticketing and finally a request about a subject not relevant to the Service.

Training and Qualifications

A variety of training was provided to Officers during 2016/2017, most of which was delivered at little or no cost other than staff time and travel. The majority of the training was facilitated by London Trading Standards (LTS). Training included the subject areas of; mandatory data protection and freedom of information courses for all staff, doorstep crime, Regulation of Investigatory Powers, Firework Licensing, Conducting Major Investigations, Memex (an intelligence database used by officers), Primary Authority, Safeguarding and Scams.

In total, 333 hours of training was provided to officers, equivalent to 46 days. Four officers successfully had their training accredited as 20 or more CPPD hours by the Chartered Trading Standards Institute.

Publicity

19 press releases promoting the work of the Service were produced during the year, 11 from Brent and 8 from Harrow. Whereas most of our releases attract local media interest, it is always pleasing to see when they grab the attention of a national news outlet.

During 2016/17, our intervention of a rogue builders who targeted an elderly couple, demanding £40,000 to fix a few loose tiles was featured in The Sun whilst The Mirror covered the conviction of an illegal loan shark following an investigation with the National Trading Standards Illegal Money Lending Team.

In November 2016 we contributed 16 tweets to the national #Ourday event, seven of which were used as part of the event increasing the profile of our work and demonstrating to the public, the range of services delivered by the Council.



Staff Member Highly Commended

The Service has always maintained a good relationship with members of the Anti-Counterfeiting Group who represent more than three thousand brands and are a leading authority on the global trade in counterfeit goods.

It was a welcome surprise when their members highly commended Officer Ali Bandukwalla for 'Individual Excellence in Anti-Counterfeiting Excellence' at the annual Trading Standards Conference in Harrogate.

**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
23 November 2017
Report from the Service Manager**

FOR INFORMATION

PROPOSAL FOR DISCUSSION: OFFERING A SERVICE TO THE LONDON BOROUGH OF HARROW TO INCREASE USE OF CONFISCATION PROCEEDINGS UNDER THE PROCEEDS OF CRIME ACT 2002 IN PLANNING CASES.

1.0 Purpose of the Report

- 1.1 This report sets out a proposal from the London Borough of Brent (LLB) to provide a service investigating planning infringements committed by those who have benefited financially from their breaches, carrying out financial investigations under the Proceeds of Crime Act 2002 (POCA) and providing advocacy services in subsequent legal proceedings on behalf of the London Borough of Harrow (LBH).
- 1.2 The proposal offers LBH an inclusive service for investigating such infringements increasing LBH's use of POCA to assist securing future compliance with planning law, to establish systems ensuring future longevity this work and for both Boroughs to benefit from the Home Office financial incentivisation scheme to fund future investigations.

2.0 Recommendation(s)

- 2.1 That the Joint Advisory Board agrees this proposal and supports its implementation or makes other comments or recommendations.

3.0 Detail

PROCEEDS OF CRIME ACT 2002

- 3.1 POCA is a piece of legislation used in relation to confiscating money that has been acquired as a result of crime. The Act provides Accredited Financial Investigators (AFI) with a robust set of powers for investigating, restraining and confiscating assets.
- 3.2 The LBB and LBH have provided their Trading Standards Service on a joint consortium basis for over 50 years with LBB acting as the host authority. In 2012, Brent and Harrow Trading Standards Service established a dedicated Financial Investigation Team consisting of two qualified Accredited Financial Investigators to take advantage of the opportunities offered by POCA in terms of ensuring

criminals do not financially benefit from their wrongdoing. More recently, LBB's Financial Investigation Team have extended their remit to undertake investigations for other local authorities and they are currently doing work for several different London Boroughs.

- 3.3 The Government introduced an incentivisation scheme to encourage local authorities to use POCA. The scheme is administered by the Home Office and sees local authorities retaining a percentage of all successful confiscation orders that they obtain, when they are paid.
- 3.4 When a confiscation order is paid, the money is divided in accordance with the Home Office incentivisation scheme, which means that 50% will be apportioned to the Government. The remaining 50% is divided between the prosecuting authority (18.75%), the investigating authority (18.75%) and the HM Court Service (12.5%). Therefore, where we conduct our own investigations and are also the prosecuting authority, our share under the incentivisation scheme is 37.5%. The Home Office is currently also taking a top slice from the 37.5% ranging from 0% to 3% each quarter to fund their crime initiatives.

TOWN & COUNTRY PLANNING ACT 1990

- 3.5 With a few exceptions, breaching planning legislation is generally not a criminal offence unless an effective enforcement notice has been issued. If the notice is not complied with, the local authority has a number of statutory remedies it can rely on, including prosecution and direct action.
- 3.6 Whilst prosecution can be a deterrent, this does not necessarily result in the breach being remedied and the fines are often low. Before the use of POCA, those who were making a financial income as a result of their planning breach may ignore enforcement notices, doing so with the knowledge that the rewards of their criminal activity far outweighed any risks from enforcement.
- 3.7 Using the local authority's power to take 'direct action' can sometimes be successful in remedy a breach but this sometimes leaves the local authority with an expensive bill covering the costs until such time as the property is sold and is subject to funds being available. This also still leaves a rogue landlord for example, who has illegally converted a house into multiple bedsits, with the potential rental income they made from their planning breach.
- 3.8 The advantage of using Financial Investigators to obtain a confiscation order under POCA means that not only is the offender punished by way of a prosecution, but also they forfeit the rental income attributable to the planning breaches. This can be a very useful method of targeting offenders, creating a real deterrent against breaches of planning law, while at the same time, the authority receives a share of the confiscated money once it has been paid by virtue of the Home Office incentivisation scheme.

OPPORTUNITY

- 3.9 The LBH states in its Planning Enforcement Policy¹ dated April 2012, that the 'Council will seek to utilise the Proceeds of Crime Act where evidence suggests that the breach of planning control has given rise to significant financial gain'. However, to the best of our knowledge, POCA has only been used on one occasion since the policy was introduced, in a recent case that is currently yet to conclude and on another occasion Brent prosecuted a landlord who had also illegally converted other properties in Harrow. In this case, Brent included the rental income collected from all the properties and secured an order.
- 3.10 It is recognised from investigating planning breaches both within the LBB and on behalf of other London Boroughs, that there are a great number of planning infringements being committed resulting in a financial gain. Accordingly, there is scope to share the expertise of LBB's Planning Enforcement and Financial Investigation Officers who routinely carry out financial investigations of planning breaches, with the LBH to make much better use of POCA.
- 3.11 Discussions have taken place with Harrow's Divisional Director of Commissioning and Commercial Services and the Manager the Planning Enforcement Team about different options available to implement this. Whilst there has been overall support and agreement for this, the proposals have not progressed. We understand the main reason for the lack of progress is the level of resource available to LBH's Planning Enforcement team which means there is limited scope to proactively investigate planning breaches.
- 3.12 More recently, the subject was informally discussed at our last Trading Standards Joint Advisory Board meeting on 11 May 2017 as part of a report updating the Board about our financial investigation work. This report provides a formal footing to document the proposal.

PERFORMANCE

- 3.13 The Brent & Harrow Trading Standards Financial Investigation Team is well respected within local authority networks. In 2016 our Financial Investigation team were shortlisted for the LGA Awards in the innovation category for a continuing successful track record in which they applied POCA to planning cases. Although they did not win the award, the event showed a high recognition for the team's excellence in this area of law. Previously, one of our officers won 'Best Individual' award in the 'Keith Hughes Award Scheme' run nationally by the National Crime Agency, which recognises outstanding performance in the field of financial investigation.
- 3.14 In recent years, Brent Council has secured a number of successes directly in relation to planning infringements which have resulted in POCA confiscation, some examples of which are highlighted in Appendix 1. One of the largest confiscation orders led to an incentivisation payment of £204,134.25 to Brent Council. Since the creation of our Financial Investigation team, they have secured over 70 confiscation orders which has resulted in over £2.3m being paid via the Home

¹ https://www.harrow.gov.uk/download/downloads/id/1553/planning_enforcement_policy

Office incentivisation scheme making Brent Council one of the highest performing local authorities in the whole of the UK in terms of asset recovery.

- 3.15 The financial investigations we have conducted for other London Borough's planning services includes Ealing who have received an income of £86K from our work, Lambeth have received £66K, Islington £49K whilst our own planning service have received £936K.
- 3.16 As a result of our previous cases, the LBB has an experienced team of Planning and Financial Investigation Officers and legal advocates who have detailed knowledge investigating and prosecuting these types of planning breaches. As this area of work has evolved, the authority has faced various challenges in Court, some of which have resulted in appeal cases creating current legal precedence.
- 3.17 Our advocacy team are fully conversant with the full interpretation of the law, likely legal challenges and defences, how best to present these cases and how the confiscation regime can be successfully applied to them.

PROPOSAL

- 3.18 The exact specifics of our proposals would need sensitive discussion with the relevant personnel at the LBH, but our suggestion is for arrangements to be made which delegates appropriate authority from the LBH to the LBB to undertake this work on their behalf.
- 3.19 The LBB would then provide a Planning Officer to support LBH's existing team, specifically briefed with looking at the enforcement of planning conventions which would lead to POCA cases.
- 3.20 Subject to that Officer's initial findings, a plan of action would be developed to progress and manage appropriate cases. Appropriate cases will be any planning breach which has resulted in a financial income to the homeowner or others. Examples of this will be a landlord who has illegally converted a property into bedsits which they are now renting out or a house divided in two to make flats which are being let to tenants. It could be the homeowner benefiting from financial gain or often an agent or other commercial entity.
- 3.21 Cases will need assessing on an individual basis but in summary, the Officer would gather evidence of any planning breach and arrange to serve an enforcement notice requiring the breach to be remedied if this has not been done already. At the same time, the Officer will assess compliance with existing enforcement notices and in the case of noncompliance leading to financial gain, gather the required evidence to progress the case to legal proceedings.
- 3.22 LBB's Financial Investigators will conduct their usual enquiries, make Court applications and investigate cases using their POCA powers with the view to bringing confiscation proceedings following any successful convictions.
- 3.23 Finally, LBB would supply an appropriate legal representative to advise on any necessary areas of the investigation and to represent the LBH in Court during any legal proceedings taken. In the more complicated cases, legal Counsel would need

to be appointed to represent the authority.

- 3.24 We cannot be specific at this stage as to what can potentially be achieved by this proposal, as we do not have detailed analysis of the volume or type of work Harrow's planning team have underway. A secondment would allow for full exploration of past and present cases and an assessment of each one so that they can be progressed in order of priority.
- 3.25 The table found in Appendix 2 shows a simplified process that we would expect to follow if this proposal is agreed. It will be imperative for the success of this proposal, that close corporation between the LBB and LBH's planning staff is adopted at the outset to assist in identifying the potential of this proposal and maintaining this in the future providing longevity to the idea and promoting a closer working relationship between the two Council planning teams.
- 3.26 This would be a long term project as the required planning enforcement process has to be followed before any POCA investigations can formally commence. Furthermore, the cases that do lead to enforcement will have to progress through the legal system which in itself can take many months or longer to conclude. It is therefore expected that this work will take place over at least a 12 month period with the expectation that subject to legal proceedings and the decision given by the Court regarding the payment terms of any confiscation order granted, cases may not finally conclude before 2019.

4.0 Financial Implications

- 4.1 This proposal creates staffing costs for a Planning Enforcement Officer, Financial Investigator and a Legal representative. The exact cost of this will vary subject to the potential number of cases identified, how advance or otherwise they are in terms of their current enforcement, the priority of these cases, their complexity both in planning and financial investigation terms and to the extent that they are challenged during any subsequent legal proceedings.
- 4.2 The LBB would seek to charge the LBH an hourly or daily rate for the Planning Officer and Legal representative to cover the costs. Steps would be taken to regularly review the work undertaken by the LBB and to ensure that it does not exceed an appropriately agreed amount and that invoices are raised and paid promptly.
- 4.3 In relation to the Financial Investigator, these Officers are currently provided by the Trading Standards Service. Accordingly, LBH already contribute towards their costs so there would be no recharges for their time.
- 4.4 External charges incurred by the Financial Investigators such as research fees or land registry searches would be charged back to Harrow at full cost along with Counsel fees where legal representation was appointed to attend Crown Court hearings.
- 4.5 The LBB as host authority for the shared Trading Standards consortium, agrees to return a share of any underspend from the yearly Trading Standards budget back to the LBH. At present, the LBB holds underspend from the last two financial years

2015-2017. It is respectively proposed and subject to agreement with Harrow's Divisional Director of Commissioning and Commercial Services who has responsibility for this budget, that circa £40k of this underspend is used to assist Harrow fund this proposal over a 12 month period.

- 4.6 An agreement would be entered between the LBB and LBH which provides for each borough to share a split of any commission received from the Home Office incentivisation scheme if and when successful confiscation orders are paid. This income would be spent in accordance with Home Office guidance but essentially, subject to the value of the income received, we would suggest any money is reinvested back into future planning enforcement and/or financial investigation work creating longer term savings for each borough.

5.0 Legal Implications

- 5.1 The Local Government Act 1972 as amended, the Localism Act 2011 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 allow one council to delegate of its functions to another council.
- 5.2 Appropriate agreements and delegations would have to be agreed between LBB and LBH to ensure that the correct authority is given for this work to be carried out.

6.0 Equality Implications

- 6.1 The proposals in this report have been screened to assess their relevance to equality and were found to have no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Ward Members do not need to be consulted about this report as it affects all of the wards and the use of POCA is already part of Harrow's Planning Policy.

8.0 Human Resources/Property Implications

- 8.1 There are staffing implications for the LBB as this proposal would take a time resource of a Planning Enforcement Officer, Financial Investigator and a Legal Advocate. This resource would be offset by the recharging of the Planning Officer and Legal representatives time on a daily or hourly rate to the LBH with the option to backfill their duties with temporary agency workers if required.
- 8.2 The financial investigation will be carried out by Financial Investigators who subject to the number of cases being investigated by the LBH and their complexity, will be able to fit this work in amongst their existing case load. However, if there are a high volume of cases to investigate or if they are particularly complex, then they may have to review and prioritise work being accepted on behalf of other local authorities to create capacity.

Any person wishing to obtain more information should contact Simon Legg, Senior Service Manager, Standards and Enforcement, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ or simon.legg@brent.gov.uk

SIMON LEGG
SENIOR SERVICE MANAGER

APPENDIX 1

EXAMPLES OF SUCCESSFUL ORDERS UNDER POCA LEGISLATION

- 1.0 One of the orders was a case against a landlord who had converted a single dwelling property into 9 self-contained dwellings. Brent Council had served an enforcement notice, however the landlord ignored this, so a prosecution was mounted. Following the prosecution Brent Council started Confiscation proceedings in order to recover the rental income that had been made as a result of renting the nine dwellings. As a result of these proceedings an order was made under POCA for £494,314.30 and the defendant was given six months to pay up or serve three years in prison. The defendant has since paid in full and Brent Council received 37.5% of this order, £185,367.86.
- 1.1 Working with a neighbouring London Borough's Planning Service, a landlord was ordered to pay a confiscation order for £382,467. This matter related to a landlord who had converted his property into six self-contained flats without planning permission. He had not complied with an enforcement notice issued by the Council, so legal proceedings were instituted.
- 1.2 In October 2015 a confiscation order for £170,000 for failure to comply with an enforcement notice which related to a property in Brent. The property had been converted into three self-contained flats without planning permission. On the same day a second confiscation order was made at Harrow Crown Court for £17,600 against the same defendant after he failed to comply with another enforcement notice which related to another property on the North Circular Road that had been converted into eight self-contained flats without planning permission. Both orders have since been paid in full and Brent Council received 37.5% of this order, £70,350.
- 1.3 In one Brent planning case a confiscation order was made against a property developer for £1,438,180.59 following the conversion of a property into 12 dwellings without planning permission. Brent Council served an Enforcement Notice in relation to this property in Willesden Lane, NW2, however it was ignored so legal proceedings commenced. This confiscation order was the subject of an appeal and was later reduced to £544,358.00. This order has since been paid in full and Brent Council received 37.5% of this order, £204,134.25.
- 1.4 In a more recent case, a Brent property owner was ordered to pay £158,780.00 following failure to comply with an Enforcement Notice issued by Brent Council against a property in NW2. The enforcement notice was served because the property had been converted into ten self-contained flats without planning permission. The flats were described by the independent surveyor as 'poorly presented' and in need of a 'comprehensive overhaul'. This is another confiscation order that has been paid in full and Brent Council received £59,542.50.

APPENDIX 2

The table below shows simplified steps to be taken if this proposal is agreed.

	Process	Activities and estimated period of time to undertake work
1	<p>A Planning Officer from Brent Council will review all of the outstanding Enforcement Notices and identify suitable cases for Proceeds of Crime confiscation.</p> <p>At the same time, planning infringements which have not yet been served any Enforcement Notice will be highlighted and steps will be taken working with LBH Planning Officers, to commence this process.</p>	<p>Subject to the number of cases, research of old enforcement notices is expected to take 3 months.</p> <p>Investigations to see which of the old enforcement notices are viable for prosecution is expected to take 3 months.</p>
2	<p>A revisit would be made to properties with outstanding enforcement notices and reminder would be sent to attempt to gain compliance through consent. A period of six months will be given to allow for compliance.</p>	<p>Evidence gathering including letter writing to generate evidence, waiting for the expiry of the six month compliance period notices is expect to take 3-9 months.</p>
3	<p>Where non compliance continues a full investigation will be carried out by Brent Planning with a view to prosecution which would be carried out by the LBB's legal team.</p>	<p>Assembling evidence, drafting and service of summons notices is expected to take 1- 3 months per case.</p> <p>Attendance at court and follow up work will be on a case by case basis but could take 3-6 months per case.</p>
4	<p>Brent Council's Financial Investigators will conduct an investigation under POCA, to quantify the financial benefit of the criminal activity and the likelihood of recovering assets through confiscation.</p>	<p>Subject to orders given by the Court, each case potentially be spread over a period of 6-9 months.</p>

This page is intentionally left blank

**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
23 November 2017
Report from the Service Manager**

FOR INFORMATION

**ENFORCING LEGISLATION CONCERNING LETTING
AGENT'S FEES**

1.0 Purpose of the Report

- 1.1 The Consumer Rights Act 2015 creates a legal requirement for letting agents to display details of fees they charge on their premises and websites. It is the responsibility of the Trading Standards Service by virtue of our function as the 'Local Weights and Measures Authority' to enforce the provisions of this legislation.
- 1.2 The enforcement sanction for non-compliance is a monetary penalty not exceeding £5k. It is up to the local authority to set the level of penalty they wish to impose.
- 1.3 Paragraph 13(f) of the Consortium Agreement between the London Borough of Brent and the London Borough of Harrow states that the Joint Advisory Board 'should consider and make recommendations on the level of fees and charges to be made to the public in respect of any part of the service, for consideration by whoever is authorised to make fees and charges decisions by each respective council's constitution'. This report seeks any comments and/or recommendations from members as to the level of charge that should be made when issuing any penalty notices.

2.0 Recommendation(s)

- 2.1 That the Joint Advisory Board comments on the following proposal:

2.1.1 To the introduction of a penalty charge of £5k for the non-compliance of S83 Consumer Rights Act 2015.

- 2.2 That the Joint Advisory Board notes:

2.2.1 The Strategic Director will delegate authority to the Trading Standards Senior Regulatory Service Manager and any manager above this position, to make decisions when to issue any penalty notice and to be so authorised to review the value of any penalty charge imposed subject to any representations made by recipient as prescribed by the Act.

2.2.2 Any monetary penalty received in connection with enforcing this Act will be used to fund the costs of enforcement.

3.0 Detail

- 3.1 Part 3, Chapter 3 of the Consumer Rights Act 2015 imposes a duty on lettings agents to clearly publicise a list of their fees on their website and business premises for the benefit of landlords and tenants. The list must accurately describe all the fees and vague, unclear charges made for services such as 'administration' for example, without any clarification, are prohibited.
- 3.2 The requirement came into effect May 2015. Until now, a light touch approach has been given when noncompliance has been identified. Approximately 150 Brent and 100 Harrow based letting agents have been given advice on the legislation by Trading Standards Officers. Much of this advice has been in writing.
- 3.3 This approach has partly been due to Department for Communities and Local Government (DCLG) guidance¹ which implied local authorities were to take into account letting agent's 'lack of awareness' of the legislation when deciding whether to issue a penalty notice.
- 3.4 A similar report to this, was presented to the Joint Advisory Board on 24 October 2017 which recommended delegating the Council's statutory responsibility to enforce the provisions of the Redress Schemes for Letting Agents and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014.
- 3.5 This delegation was approved by Brent's Cabinet on 24 April 2017 but remains pending in Harrow, where Harrow's Housing Team has sole authority for this function.
- 3.6 This legislation subject to this report, differs from the Order previously reported to the Joint Advisory Board in that it specifically makes enforcement of the Consumer Rights Act 2015, a statutory responsibility for the Local Weights and Measures Authority (the Trading Standards Service). The only discretion imposed by the Consumer Rights Act 2015, is the level of penalty to impose.
- 3.7 For this reason, it is not considered necessary to obtain Cabinet's consent to any proposal in this report on the basis the relevant Divisional and Strategic Directors can agree to set the fee using their delegated powers. The London Borough of Brent's constitution permits this delegation, enquiries are being made to check the same applied in the London Borough of Harrow.
- 3.8 The intended effect of the legislation is to increase transparency of fees, which will allow both tenants and landlords to have a clearer indication of costs they will have to pay when renting a property through that agent.

¹ Department for Communities and Local Government Guidance for Local Authorities can be found at the following link:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/412921/Improving_private_rented_sector.pdf

- 3.9 A financial penalty up to £5k can be imposed when Trading Standards are satisfied, on the balance of probabilities that someone who is engaged in letting or property management work has failed to correctly display its fees.
- 3.10 The DCLG guidance specifically stipulates 'The expectation is that a £5,000 fine should be considered the norm and that a lower fine should only be charged if the enforcement authority is satisfied that there are extenuating circumstances'.
- 3.11 It is possible to impose further penalties if a lettings agent continues to fail to publicise their fees despite having previously had a penalty issued. There are no limits to the number of penalties that may be imposed on an individual lettings agent if they continue to be in breach of the legislation
- 3.12 It is proposed that the penalty notice fee is set at £5k as per the DCLG guidance. Consideration has been given to applying a discount to encourage early payment. However, as the Act provides a legal requirement for any person receiving a penalty notice to make representations and for these to be considered before sending the final penalty notice. Therefore, a discount for early payment was not considered necessary, unlike the penalty notice for non membership of the redress scheme, which does attract a 50% discount for early payment.
- 3.13 When Trading Standards intend to issue a penalty notice, we must follow a process set out below:

Step 1: Notice of Intent

We must give written notice of our intention to impose a penalty, setting out:

- i) the amount of the proposed financial penalty,
- ii) the reasons for proposing to impose the penalty, and
- iii) that there is a 28 day period to make written representations, starting from the day after the date on which the notice of intent was sent.

Step 2: Representations

The person on whom the notice of intent was served has 28 days to make written representations to the enforcement authority in relation to the proposed fine.

Step 3: Final Notice

At the end of the 28 day period the enforcement authority must decide, having taken into account any representations received, whether to impose the fine and, if so, must give at least 28 days for payment to be made. When imposing a fine, we must issue a final notice in writing which sets out:

- i) the amount of the financial penalty,
- ii) the reasons for imposing the penalty,
- iii) information about how to pay the penalty,
- iv) the period for payment of the penalty,
- v) information about rights of appeal, and
- vi) the consequences of failure to comply with the notice.

Note: We can amend or withdraw either of the notices at any time.

Step 4: Appeals

A letting agent can appeal against a final notice to the First-tier Tribunal in the General Regulatory Chamber. If an appeal is lodged the fine cannot be enforced until the appeal is concluded. Appeals can be made on grounds that include:

- i) the decision to impose a fine was based on an error of fact,
- ii) the decision was wrong in law,
- iii) the amount of the fine is unreasonable,
- iv) the decision was unreasonable for any other reason.

- 3.14 Penalty Notices are used as a last resort for achieving compliance. For this particular legislation, they are used in place of normal criminal proceedings through the Courts. As such, the usual Trading Standards procedures would be applied with respect to preparing a case file for review by management requiring appropriate authorisation before a penalty notice would be issued.
- 3.15 It is proposed that authority is delegated to the Trading Standards Senior Regulatory Service Manager and any manager above this position with authority to both issue penalty charge notices and to be able to review and reduce the amount to be paid as appropriate, subject to any representations made pursuant to Step 3 described above, as prescribed by the Act.
- 3.16 In our North West London Trading Standards group, the only authority to have issued a penalty notice is the London Borough of Enfield which is currently subject to an appeal. There are few London authorities who have issued any penalty notices to date with the exception of Camden, Islington, Southwark and Westminster who between them have started setting various helpful precedents pioneering this process.
- 3.17 In a recent exercise, seven local letting agents were subject to spot checks to ascertain compliance with the Act. Despite having previously been advised by Trading Standards, all but one of the agents were found to be noncompliant. For this reason, we are now suggesting that this work is given increased priority and a tougher enforcement approach is taken.
- 3.18 The Queens speech in June 2017, announced proposals to ban landlords and agents from requiring tenants to make any payments as a condition of their tenancy with the exception of the rent, a capped refundable holding deposit and tenant default fees. A draft bill was published on 1 November 2017 proposing to cap security deposits at six weeks' rent, cap holding deposits at one week's rent and it sets out the circumstances in which agents and landlords will be required to refund the holding deposit to tenants.
- 3.19 The bill states that Trading Standards will be responsible for enforcing the ban and makes provision for tenants to be able to recover unlawfully charged fees. It creates a civil offence with a fine of £5,000 for an initial breach of the ban and a criminal offence where a person has been fined or convicted of the same offence within the last 5 years.

4.0 Financial Implications

- 4.1 It is proposed that a small number of lettings agents are targeted to achieve compliance with this legislation at any one time. On the assumption that levels of compliance will rise as enforcement increases, it is hoped that there will be marked improvement within local lettings businesses. This should be possible within current staffing resources and existing budgetary provision.
- 4.2 Where it is necessary to take formal action to enforce the requirements of the Act, a greater staffing resource will be needed which may result in staff being taken away from other duties.
- 4.3 If compliance rates remain low, then we shall have to review our budgetary provisions and will make a separate case to seek staffing resource, potentially funded by the penalty notices, to cover these costs.
- 4.4 Any penalty charges received as a result of formal action will be used to offset the overall cost of the enforcement activity. On the basis we charge the maximum penalty of £5k, this would cover the costs up to the point of issuing the penalty charge. It is possible that if businesses do not pay the penalty, steps will need to be taken to enforce the debt which will incur additional costs. These will need assessing on a case by case basis.

5.0 Legal Implications

- 5.1 The Consumer Rights Act 2015 requires prescribed letting agent businesses to clearly display details of any fees they charge for the rental of property, in their business premises and on their websites. The legislation took effect on 27 May 2015. The enforcement of this requirement is a statutory responsibility of Trading Standards' authorities.
- 5.2 This legal requirement means that prospective landlords or tenants can clearly and easily access information setting out any charges for which they may become liable if renting a property via that agent.
- 5.3 The proposals put forward in this report are in line with the assertions contained in the DCLG 2015 guidance document entitled "*Improving the Private Rented Sector and Tackling Bad Practice: A Guide for Local Authorities*".

6.0 Equality Implications

- 6.1 The proposals in this report have been screened to assess their relevance to equality and were found to have no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Ward Members do not need to be consulted about this report as it is a statutory requirement that affects all of the wards in both of the boroughs.

7.2 Brent's Lead Member has been consulted on this report at a briefing on 13 October 2017 and was supportive of all the recommendations being suggested.

8.0 Human Resources/Property Implications

8.1 There are no significant staffing implications arising from this report. Written procedures and notices will need drafting to enforce the provisions of this Act. Staff will need training in relation to these procedures but it is expected that this can be accommodated within existing staffing resource.

Any person wishing to obtain more information should contact Simon Legg, Senior Regulatory Service Manager, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ. Telephone: (020) 8937 5522, simon.legg@brent.gov.uk

SIMON LEGG
SENIOR SERVICE MANAGER

**London Boroughs of Brent and Harrow
Trading Standards Joint Advisory Board
23 November 2017
Report from the Service Manager**

FOR INFORMATION

**UPDATE ON NATIONAL TRADING STANDARDS SCAMS
TEAM PARTNERSHIP**

1.0 Purpose of the Report

- 1.1 The Trading Standards Joint Advisory Board supported a proposal made on 24 October 2016, for the Service to work in partnership with the National Trading Standards (NTS) Scams Team in respect of the sharing of information and receiving referrals from them.
- 1.2 As requested by the Joint Advisory Board, this report provides an update on the partnership a year on from its formation.

2.0 Recommendation(s)

- 2.1 That the Joint Advisory Board notes the work undertaken and supports the continuation of the partnership.

3.0 Detail

- 3.1 The NTS was set up by the Government to provide leadership, influence, support and resources to help combat consumer and business detriment nationally, regionally and locally. Their Scams Team focuses on tackling mass marketing scams bringing disruption to the perpetrators. The team works closely with scam campaign Think Jessica, the Metropolitan Police, Citizens Advice, Royal Mail and other mail providers, the Financial Ombudsmen Service and the National Crime Agency
- 3.2 Scams are frequently targeted at the vulnerable members of our community such as the elderly or those who are lonely or might be already in debt. As well as being a nuisance receiving cold calls and unsolicited mail in the post, scams are a serious problem which cause not just a financial loss, but can also lead to mental health deterioration of the victims.
- 3.3 Recognising the importance of protecting vulnerable local residents and following a trial period of working with the Scams Team, the Service agreed to formalise its partnership by signing a Service Level Agreement with them.

- 3.4 This agreement provided for an agreed number of referrals to be sent through to the Trading Standards Service on a monthly basis. The referrals identify local scam victims who we would seek to make contact with to advise them they had been deceived, offer help and advice and importantly make sure they had the required support to avoid becoming repeat victims. The Scams Team required feedback 4 weeks after sending a referral along with any further updates as necessary once we have advised the victim/s.
- 3.5 As well as the Trading Standards role providing an important intervention for scam victims, it also satisfies the Council's statutory responsibilities under the Care Act 2014. This legislation puts local authorities under a duty to prevent individuals being subject to financial abuse and to take suitable steps to prevent or delay adults needing long term care or support. This work directly assists preventing people becoming repeat victims and is a key element of maintaining longer term health and wellbeing in later life.
- 3.6 Since the Joint Advisory Board Meeting in October 2016, the Service has received 61 referrals from the Scams Team, 32 for Brent and 29 for Harrow. This represents a lower number than expected and experienced in our previous trial of this work.
- 3.7 A referral typically consists of a report that a local resident has entered anything from one to five or more, scam prize draws. These draws require a fee to be paid in order to either enter it, or to claim prize money. The fees demanded are usually low in value as this encourages a higher return rate to the scammers.
- 3.8 Once a victim engages with the scammer, they might send another prize draw a period of time later, but this time try to illicit a slightly higher fee. Worryingly, evidence shows some victims passing scammers their bank account details, whereas other send cheques or even cash in the post, to guarantee their part in the draw.
- 3.9 Of the referrals that we have received, £295 has been returned between nine victims, six in Brent and three in Harrow.
- 3.10 Officers receive a mixture of responses when they make contact with the victims. On some occasions, victims acknowledge their wrong doing, even suspecting they had been conned, are prepared to accept their mistake and put the experience down to learning not to respond again.
- 3.11 In other circumstances, our contact comes as a total surprise with victims embarrassed or uncomfortable of their actions and not wishing to discuss things any further.
- 3.12 We are most concerned when we meet victims who are in denial of their mistakes. Some are adamant the draws are genuine, others will not admit they are regularly responding to the competitions whereas some, will not engage with us at all. This is necessary for an assessment of their understanding and the extent they have been scammed to be assessed.
- 3.13 One recent case concerns a resident who shall be identified as "Mr A", aged 72

who lived with his wife. He had been a repeat victim of prize draw and clairvoyant postal scams paying out over £5,000 during years of communication with the various scammers in hopeful return of prizes and good fortune. During a home visit, officers identified that Mr A had also fallen victim to a scam via an unsolicited telephone call.

- 3.14 The caller had previously persuaded Mr A that he could process a PPI claim for him, following which he would receive a large sum of money. The scammer persuaded Mr A, that in order to pursue the claim, he needed £2,000 worth of voucher codes which could be obtained from cards used to download music. Mr A went ahead and purchased these cards with various amounts of credit on them which he showed to the officers. The scammers would then periodically contact Mr A to take the codes over the phone enabling them to be used or sold on by the scammers.
- 3.15 Once an assessment has been made to establish the vulnerability of victims and we have established the level of support that person may or may not receive, they are provided with advice as to what to look out for to avoid being duped again, encouraged not to respond to independent or unknown draws and importantly, are left with contact details so they know who to contact should further advice or support be required.
- 3.16 In this instance, we were able to make contact with a family member who has been able to assist with Mr A and his wife's future wellbeing. Obtaining the contact details of a family member or somebody who the victim is in regular communication with and alerting them what has happened is an effective way of us being able to provide advice and to make sure that the victims is not isolated and left to deal with things on their own.
- 3.17 Where no family member or other person is available, or in cases of significant vulnerability, we pass the victims details onto the relevant Adult Safeguarding team who will make contact and carry out an assessment to ensure the resident has access to the relevant Council or other support services available to them.
- 3.18 The Service actively takes part in awareness campaigns to highlight scam issues and to educate the public. This included participating with Scams Awareness Month in July 17, which is an annual campaign bringing together organisations and consumers across the country to take a united stand against scams and fraud.
- 3.19 We have presented at several community events in Harrow including attending a meeting of Northwick Park Neighbourhood Watch group, speaking at the 'Scams, Fraud & Staying Safe' forum organised by Harrow's Adult Safeguarding Team, officers provided training to HSBC bank staff about how to identify potential scam victims, spoke at the Harrow Senior Residents Association meeting about scams awareness and took part with Age UK's Brent Scam Awareness event held in the Civic Centre.
- 3.20 In addition, we have actively promoted and taken part in a London scheme, known as the 'Banking Protocol', which is aimed at ensuring banks and police are more active in protecting customers. All bank staff are told to look out for specific signs that customers may be the victim of a scam or a fraud. If they have suspicions,

staff are encouraged to call the police quoting the protocol which instigates an immediate priority response from them.

- 3.21 The Service attends both the Brent and Harrow Safeguarding Adults Board meetings through which we have been identified as a key partner in assisting the Council's statutory responsibilities under the Care Act 2014. The Boards have provided a conduit for us to liaise and work alongside other healthcare professionals.

4.0 Financial Implications

- 4.1 This work costs the Service in both officer time and the expense of staff travelling to meet the victims. Some interventions take longer than others but on average, each visit will require an hour of officer time plus their travel. Wherever possible, visits are arranged to coincide with other duties so as to make effective use of that travelling time. This work has been included in the Annual Service Plan so as long as the number of referrals remain within the levels expected, it can be carried out using existing resources.
- 4.2 It would be more cost effective not to visit each victim as this would save significant time. However, home visits are highly recommended for this type of work as it is necessary to build the trust and establish a rapport with the victims. This also provides a valuable opportunity for officers to assess any further safeguarding issues and to determine whether the victims require follow up either by Trading Standards or another Council service,

5.0 Legal Implications

- 5.1 There are no legal implications arising from this report.

6.0 Equality Implications

- 6.1 The proposals in this report have been screened to assess their relevance to equality and were found to have no equality implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Ward Members do not need to be consulted about this report as safeguarding is a statutory requirement for the local authority that applies to all wards.

8.0 Human Resources/Property Implications

- 8.1 There are no staffing implications other than those referenced in points 4.1 and 4.2 above.

Any person wishing to obtain more information should contact Simon Legg, Senior Service Manager, Standards and Enforcement, Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 0FJ or simon.legg@brent.gov.uk.

SIMON LEGG
SENIOR SERVICE MANAGER