

**THE IMPACT OF LOCAL
AUTHORITY TRADING
STANDARDS IN CHALLENGING
TIMES**

Research Report by
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Summary

Introduction

This research report was commissioned jointly by the UK Department for Business, Innovation & Skills (BIS) and the Trading Standards Institute (TSI) with the following terms of reference:

1. To paint a clearer picture of the benefits that trading standards work contributes to local and national priorities and its benefits to the public purse;
2. To develop a logic model of trading standards processes;
3. To develop case studies that describe and estimate the benefits of trading standards services;
4. To build an evidence base on the impact of budget cuts to local trading standards services in recent years;
5. To test the efficiency and effectiveness of trading standards services across England, Scotland and Wales; and
6. To identify any current or potential future enforcement gaps.

The research involved the conduct of a national survey of trading standards departments across England, Scotland and Wales to which 127 responses were received, and detailed follow-up work with twelve departments selected as case-studies – four of which covered the full range of functions being undertaken while the other eight each focused on a particular function (business advice, food standards, animal health and welfare, product safety, metrology, doorstep crime, age-restricted sales, and e-crime.)

What is the current state of trading standards?

Six key themes arose from the survey and case studies:

1. The Diminishing Resource Base for Local Authority Trading Standards.
2. The Pursuit of Greater Efficiency and Effectiveness.
3. Towards More Collaborative Working - The Drivers and the Obstacles.
4. New Service Priorities.
5. Supporting Business and Ensuring Compliance
6. The Measurement and Evaluation of Impact

1. The Diminishing Resource Base for Local Authority Trading Standards

- Over the past few years almost all trading standards departments have experienced sharp cuts in their budgets and most now operate with about half the number of staff that they employed five years ago.

- Sizable variations were noted in unit costs between different trading standards departments, with the figures for Scottish departments all being significantly higher than those for their English counterparts, and those in Wales were also slightly higher. Unsurprisingly unit costs were found to be highest in the lesser populated and more geographically extensive local authority areas while the costs for some of the UK's largest population centres (or where two neighbouring departments were working together through a shared service arrangement) were among the lowest, suggesting the prevalence of economies of scale.
- The contraction in budgets and staffing levels have led to changed ways of working and priorities and a reduced portfolio which has resulted in areas stopping various special initiatives, such as the administration of 'proof of age' and 'approved trader' schemes, reduced product testing and fewer enforcement projects.
- There has been a shift from proactivity and prevention to a more reactive and responsive approach. The tradition of routine inspections and sampling work to check compliance levels among businesses has largely given way to a work pattern that is much more driven by referred complaints from consumers and other intelligence reports.
- There has been much loss of expertise and experience through voluntary redundancy programmes, departments have lost much of their resilience, and there is less emphasis on specialisation, with most staff working more flexibly together.
- A combination of the above has led to a relatively weak, and probably diminishing, profile of trading standards, both within the public eye and within the local authority context.

2. The Pursuit of Greater Efficiency and Effectiveness.

Departments have taken a range of approaches to achieving greater efficiency and effectiveness, including:

- service change,
- redefining job roles,
- implementing new ways of working,
- greater partnership working,
- moving to an intelligence led model, and
- focusing on income generating activities (including Primary Authority scheme and providing professional metrology services to businesses).

3. Towards More Collaborative Working – The Drivers and the Obstacles.

Collaborative working is increasingly a key characteristic mode of operation for trading standards departments. 80% of survey respondents said that their department was working collaboratively with either (or both) another trading standards department, regional and/or sub regional services and/or another partner (including from the private sector). The drivers behind collaboration were cited as a combination of making efficiencies and cost savings, sharing intelligence and skills and securing service resilience. However, the survey also highlighted barriers to ongoing collaboration including local politics, resource constraints and the differing priorities of other agencies and other councils.

4. New Service Priorities

The survey and case studies highlighted a shift from a focus on vital (but essentially background and low-profile), regulatory activities such as checking weighing equipment, analysing food samples, testing the safety of products, to more publicly visible responsibilities that directly address contemporary community concerns, e.g. protecting the vulnerable from rogue traders, scams and door-step crime, and contributing to other public health and social issues such as alcohol and substance abuse. The two most commonly cited priorities for trading standards departments in 2014-15 were doorstep crime and tackling underage sales.

5. Supporting Business and Ensuring Compliance

There is a clear commitment from trading standards to provide support to business to facilitate compliance, and departments use a range of proactive and information provision methods through which to do this. However, most respondents commented that resource constraints meant they could no longer keep regular contact through visits as they might have done in the past.

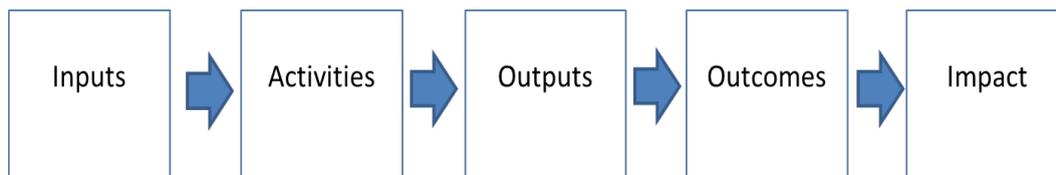
6. The Measurement and Evaluation of Impact

Both the survey and the case-studies revealed a limited assessment of the impacts of trading standards work. Although just over half of survey respondents said that they had undertaken work to monitor or evaluate the impact of their activities this was limited in terms of being able to evidence impact. All case study departments could provide quantitative data on inputs and outputs such as the numbers of visits, contacts and various other regulatory interventions made (e.g. numbers of prosecutions pursued, formal warning notices served, and advice and guidance issued) but none were able to offer much in terms of outcomes or impact.

Assessing the value of trading standards interventions

We used a logic model to frame our analysis and assess the value of trading standards activities. A typical logic model, as set out below, was used with each of the twelve case-studies to understand better the process and value of the trading standards interventions.

Figure 1: A typical logic model



Although all the case study departments were able to provide data in relation to inputs, activities and outputs, the issues of outcomes and impact proved much more difficult. Understanding of outcomes and impact was anecdotal and patchy, and most of the available measures routinely being reported upon through departmental performance management systems were generalised, in the form of consumer and customer satisfaction polls.

We construe from this that trading standards departments need a much better understanding of, and more quantitative information about, the economic, social and environmental benefits that derive from their interventions. This is particularly important in the context of annual pressures for cuts in budgets. From our assessment of the data it was abundantly clear that measured outcomes, together with prospective impact, would greatly exceed the direct costs involved in each field of activity. We have therefore compiled an illustrative list of outcomes and impacts that we suggest captures the main beneficial effects of trading standards interventions (see pages 122-125 below). We conclude that there is the need to establish a national framework for outcome and impact assessment in trading standards.

Conclusions and recommendations

We draw conclusions and make six key recommendations – each of equal importance - relating in turn to the six terms of reference established for the research. These recommendations are as follows:

- 1. Painting a clearer picture of the benefits that trading standards work contributes to local and national priorities and its benefits to the public purse.**

Despite the potential impact of trading standards services evidenced by the outcomes and impacts identified through the logic model, our research

highlighted the relatively weak profile of trading standards, both within the public eye and within the local authority context. It was clear that in the context of local authority spending cuts what matters most to trading standards departments is that they demonstrate to their parent organisations and their elected members the relevance and contribution of the work towards attainment of the council priorities.

Recommendation 1: Local authority trading standards services should devise and roll out more campaigning programmes, ideally with the support of national bodies, to raise the public profile of their work, and particularly of the contribution it makes to local public protection and community safety.

2. Developing a logic model for trading standards processes.

There was widespread understanding of the key elements of a logic model ('inputs', 'activities', 'outputs', 'outcomes', and 'impact') but the research did not find any good examples of where trading standards departments had built a systematic and rigorous evidence base concerning the outcomes and impacts of their work. Indeed, the whole issue of impact evaluation seemed relatively under-developed. There was also due recognition and acknowledgement of the considerable difficulties in measuring and quantifying the outcomes and impact of trading standards interventions, most particularly those of a proactive and preventative nature that were intended to avoid harm or detriment for people.

Recommendation 2: Given the prevailing uncertainty about the value of routine inspections in trading standards, and the dearth of reliable and comprehensive evidence in this respect, a national project should be commissioned to sample and measure levels of compliance with legislative requirements across the range of trading standards activities. This project might be undertaken in a single week, and ideally would be repeated each year to enable the compilation of a growing data-base of patterns and trends. This would then ensure that the outcomes and impact of trading standards interventions are better understood and that calculations could be made of the benefit-cost ratios for each of the different activities.

3. Developing case studies that describe and estimate the benefits of trading standards services.

The case-studies have yielded considerable qualitative evidence of the varied benefits of trading standards work. But as discussed above, understanding of outcomes and impacts is patchy and much of the evidence is anecdotal or intuitive. There is a need for departments to collect data on consumer detriment and of the financial value of any remedies achieved through interventions on behalf of complainants. However, as the OFT Report 'Trading Standards Impact' (Office of Fair Trading, 2009, p. 9) commented, trading standards work "can often deliver significant non-financial benefits, for example, by preventing or reducing anti-social behaviour, physical harm or psychological detriment, including the stress and loss of confidence that can accompany consumer problems".

Attributing a value to such non-financial forms of detriment would inevitably be much more challenging.

We suggest that a suite of measures of outcomes and impact for the different functions of the service should be developed along with sets of assumptions for estimating and calculating financial values for cost benefit analyses of the 'invisible' outcomes and impacts (i.e. benefits that could reasonably be attributed to proactive trading standards work, and that would result in the prevention of deaths, injuries, or other harms).

Recommendation 3: The Departments for Business, Innovation and Skills (BIS) and for Communities and Local Government (CLG), together with the Trading Standards Institute (TSI) should collaborate on a project to devise a national framework of measures of outcomes and impact covering the range of trading standards activities, and should propose an appropriate framework for data collection and reporting on a national, as well as local, basis.

4. Building an evidence base on the impact of budget cuts to local trading standards services in recent years.

There have been significant cuts to trading standard departments over the past five years and our research suggested that decisions about budget cuts have often been based on monetary considerations rather than an understanding of the performance, outcomes and impact of the work of trading standards.

Recommendation 4: Local authorities should plan budget allocations for trading standards departments on the basis of good information as to workloads, performance (efficiency and effectiveness) and the likely outcomes and impact of any proposed changes in provision. Ensuring the availability of such information to all involved in council budget decision-making should be a key responsibility for each chief trading standards officer.

5. Testing the efficiency and effectiveness of trading standards services across England, Scotland and Wales.

Trading standards departments have improved their efficiency and effectiveness through an overall reduction in costs, reduction in senior posts and a focus on high priority services, including responding to intelligence and consumer complaints, with less emphasis on proactive inspectorial work.

However, the research identified significant variations in spending per head and per unit of workload which suggest on-going differences in efficiency. The data suggests that economies of scale are significant for those departments in larger populated areas and with larger workloads.

We suggest that shared service arrangements can represent a logical and practicable response to the problems that budget cutbacks are creating for smaller trading standards departments. However there are two key provisos;

firstly that there needs to be enthusiasm and positive commitment on all sides to joint working and to doing so quite as much for service development and enhancement reasons as for efficiency gains or simply to survive. Secondly, that the overarching governance arrangements for the venture should ensure that partner local authorities maintain an active stake in the determination of both strategic and operational service planning issues.

In addition, we consider larger scale joint-working a feasible option, particularly for the technically specialised services such as metrology, product safety, animal health and welfare (including feedstuffs) and food standards. At the same time, we suggest that each local authority trading standards department should retain individual responsibility for the more localised consumer/community-oriented functions such as responses to door-step crime, follow-up on consumer complaints age-restricted sales, and advice provision to local businesses.

Recommendation 5: Local authority trading standards departments should give careful consideration to the advantages and disadvantages of different organisational models for the future of trading standards provision, including shared service arrangements with neighbours, working in wider regional groupings for certain specialist functions, with private sector service providers, or buying in services from other councils/agencies, and other funding options such as making joint appointments and secondments with other agencies. Whatever the favoured model, priority should be given to ensuring that governance arrangements are such as to engage councillors as actively as possible, both in determining the priorities for trading standards and in overseeing their realisation.

6. Identifying any current or future enforcement gaps.

It was clear from our research that trading standards officers feel that many potentially serious problems are being missed because of the shift from proactive inspections to a more reactive approach. There is concern that the withdrawal from regular inspections had meant that bad habits and illegal practices had been creeping back, because traders now knew they were not being watched to the same extent as in the past. Several officers told us that they personally continued to make as many inspection visits as they could to farms, factories, markets and high street retail outlets; such was their belief in the value of proactive inspections as a means for maintaining compliance standards.

It seems important to test and validate this belief in a rigorous manner but we have also concluded that it is vital that trading standards officers are empowered to apply their experience and to follow their professional judgements and nous in the planning and prioritisation of their work and time.

Recommendation 6: Local authority trading standards departments should ensure that the pursuit of corporate performance targets, particularly in the on-going challenging financial times, does not unduly conflict with the important goals of supporting and facilitating professional development, and nurturing commitment

among staff through the encouragement of initiative-taking, and the sharing of ideas about how best to promote fair and legal trading and so provide better public protection for all.

Chapter 1: Background

For the past few years local authorities the length and breadth of the UK have been confronting an immensely challenging financial climate as austerity in the public sector has meant very significant cuts being made in government funding and tight restraint on local funding capacity - and all at a time when the needs, demands and expectations for public services have, if anything, been growing rather than relenting.

In this period most local authority trading standards departments have found themselves having to manage budget cuts of upwards of 20 percent (in some instances more than 40%). And while the contemporary polity of 'better regulation', with its emphasis on minimising the burden of regulatory 'red tape' on business while continuing to provide protection for the public, has undoubtedly engendered change in some respects in local regulatory behaviours, the annual consumer complaint statistics and the case-loads of trading standards departments indicate an on-going high level of unfair trading practices, of fraud, of exploitation of the vulnerable, and much more; all of which, in the internet age, seems to becoming, if anything, more challenging and intractable to address.

This report is the outcome of a short (three month) research study commissioned jointly by the UK Department for Business, Innovation & Skills (BIS) and the Trading Standards Institute (TSI)¹. The terms of reference for the research were as follows:

1. To paint a clearer picture of the benefits that trading standards work contributes to local and national priorities and its benefits to the public purse;
2. To develop a logic model of trading standards processes;
3. To develop case studies that describe and estimate the benefits of trading standards services;
4. To build an evidence base on the impact of budget cuts to local trading standards services in recent years;
5. To test the efficiency and effectiveness of trading standards services across England, Scotland and Wales;
6. To identify any current or potential future enforcement gaps.

¹ BIS is the government department with lead responsibility for ensuring that consumer law is fair for both consumers and businesses; that consumers know their rights and are able to use them effectively. The department also leads on 'better regulation' by seeking to cut unnecessary rules and procedures and by making those that are needed easier to understand and with which to comply. TSI, on the other hand, is the professional membership association that represents trading standards professionals working in local authorities, businesses, consumer sectors and in central government. It exists to promote and protect a vibrant economy and to safeguard the health, safety and wellbeing of citizens by enhancing the professionalism of its members.

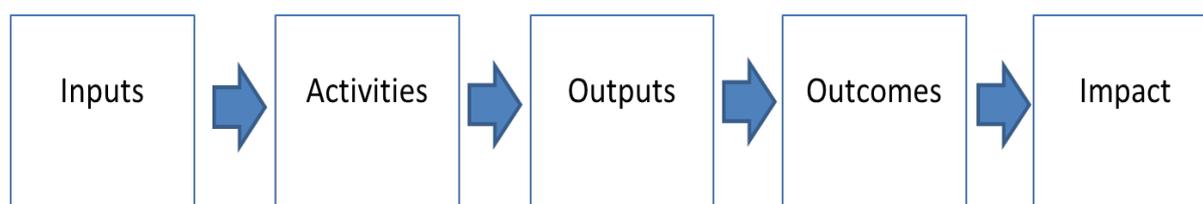
Overarching these six priorities has been the aim of developing a better understanding of the impact of trading standards activity and interventions in the current context and to seek to assess the balance of costs and benefits involved in such work. This latter challenge has been largely approached through a series of twelve case-studies, each based on a different local authority trading standards department from across the UK. In four of the case-studies the concern was to provide an 'overview' of trading standards as a whole, while in each of the other eight the focus was on a particular 'specialist' functions, looking in more depth in turn at: business advice; food standards; product safety; animal health and welfare; metrology; doorstep crime; age-restricted sales; and e-crime.

Choice of the case-studies was made in light of findings from a questionnaire survey addressed at all trading standards departments of Scotland, England and Wales and which provided us with a considerable amount of up-to-date quantitative and qualitative information on the priorities being addressed, on indicators of impact and effectiveness, on collaborative working with other agencies, and on the benefits and difficulties of such working, on the changes in recent years in budget and staffing levels, and on the implications of such changes for service provision.

The four 'overview' case-studies were selected to provide contrasting geographical contexts within the UK (with one very rural, one mostly urbanised, one mostly suburban, and one mixed urban/rural). The choices were also made to reflect differences in the size and organisational models for trading standards operations. The eight 'specialist' case-studies, on the other hand, were chosen particularly from responses to a key question in the national survey that asked departments to indicate the areas of work in which they considered themselves to be especially strong. Again, the final selections reflected our concern to ensure a suitably varied and representative sample of trading standards departments from across Scotland, England and Wales, and again, including a mix of more rural, mixed and urban/metropolitan-types of area.

Field-work for most case-studies took the form of a one or two day visit to the department for interviews with all available staff involved in the delivery of the particular functional specialism(s) and their managers/heads of service. In a number of cases we also interviewed the relevant corporate/strategic directors whose portfolios included trading standards (for example, for public protection or for regulatory services as a whole). As well as helping us to build clearer understanding of the operation of the different trading standards functions, and of the ways in which the priorities and modes of working had been changing in response to resourcing and other pressures, the interviews also focused on available evidence of the linkages and causal relationships between the different elements of a 'logic model' for each trading standards function. The general format of such a logic model – as discussed and applied in various public policy contexts, and as followed in this particular research study of trading standards – is shown in Figure 2:

Figure 2: – A typical logic model



In a trading standards context the *inputs* would comprise staff time and expertise, the technical equipment and facilities for testing items and for supporting investigations, and often additional resources for ‘test purchases/mystery shopping etc. They could also include resources contributed by businesses and the public in assisting trading standards with their activities.

The *activities* would be the methods used to regulate trading, for example, the gathering and analysing of intelligence, the receipt and assessing of complaints, the conduct of inspections and ‘mystery shopping’ to check compliance in manufacturing, wholesale and retail premises, visits to farms and markets, the testing of weighing and measuring equipment, of the quality and provenance of food and feed samples, and of the safety of consumer products, the undertaking of special investigations into fraud and counterfeit goods, and initiatives taken to protect vulnerable members of the community (e.g. from rogue traders and other unwanted doorstep selling).

The *outputs* would typically be the amount and frequency of such activities and interventions, for instance, the number of occasions on which advice was provided to businesses, the quantities of electrical products subjected to safety tests, the volume of ‘test purchases’ of alcohol and cigarette sales to people aged under 18, the numbers of attendances at livestock markets, the scale and intensity of follow-up actions taken with businesses in response to consumer complaints, and so on.

The *outcomes* would then refer to the effects of such actions, for example, the proportion of business websites brought into compliance with the regulations following contact by trading standards officers, the amount of detriment recovered on behalf of aggrieved consumers from businesses trading unsatisfactory goods, the quantity of counterfeit or unsafe products removed from the market place, the improvement made in standards of livestock handling and transport as a result of oversight, and the reduction in incidence of scams or doorstep selling as a consequence of initiatives such as the designation of ‘cold calling control zones’.

Finally, the notion of *impact* might be thought of in a longer-term context, perhaps also as the longer-lasting consequences of interventions. Compared with the outcomes, such consequential impact is probably often less easily measured, and indeed might well encompass less evident effects because problems have been prevented and harm avoided by early interventions. The measurement challenge in such contexts concerns counterfactuals and causality, notably, what might have happened in the absence of the intervention, and whether or not the early

intervention was the cause of the effect rather than some other factor (see for example, (Matrix, 2014). Thus, for example, if teenage drinking were to be observed to be rising despite the work of trading standards in conducting 'test purchases' to address under-age sales, a key question would be whether teenage drinking would have risen even more had the test purchasing interventions not been undertaken. Impact can thus be about potentiality as much as actuality and in a trading standards context could perhaps include the deterrence effects of interventions and the effects of increased public awareness of risks resulting from the services' promotional safety campaigns and the like. The notion of impact could also embrace more generalised consequences such as enhanced community safety and improved health and well-being. Such impacts, though again very difficult to measure, are likely to be particularly valuable, perhaps more so than other, more proximate, benefits. There are also the potential benefits of augmented consumer confidence and satisfaction and enhanced fairness in the trading environment (a 'level playing field' for businesses) that arise because of the work of trading standards officers in seeking to remove counterfeit and non-compliant products that distort and damage the market for genuine and properly-made ones.

This, then, represents the basic framework of concepts that comprise the logic model that we have sought to apply in exploring and highlighting the contribution of trading standards services in this country. In doing so, our focus has especially been on identifying how the tighter resource constraints (inputs) at a time of financial austerity have affected not only the activities undertaken and outputs achieved, but also the consequential outcomes and impact of trading standards work.

Chapter 2: The State of Trading Standards in 2014

The combination of our twelve case-study visits and the responses to the national survey that we undertook of local authority trading standards departments has provided a strong and up-to-date evidence base from which to take stock of the state of trading standards in the UK. A total of 127 departments out of some 190 or so, responded to the survey (at 67%, an encouraging response rate given its timing in the August holiday season), and the twelve case-studies provided more detailed insights on the various services being provided and on developments that have been taking place in response both to changing patterns of business and consumer activity and to the challenging financial climate and local authority resourcing pressures.

In the subsequent sections of this chapter, we introduce what we consider to be six key themes from this stock-take and summarise the evidence in relation to each before introducing and outlining our findings from the twelve case-studies and from which our conclusions are particularly derived. The six key themes were:

- The Diminishing Resource Base for Local Authority Trading Standards.
- The Pursuit of Greater Efficiency and Effectiveness.
- Towards More Collaborative Working - The Drivers and the Obstacles.
- New Service Priorities.
- Supporting Business and Ensuring Compliance
- The Measurement and Evaluation of Impact

The Diminishing Resource Base for Local Authority Trading Standards

Just under half of the respondents to the survey (61 out of 127) provided full information on their departmental budgets for four successive financial years 2011-12 to 2014-15 (17 of these being English County Councils; 5 being London Boroughs; 8 being Metropolitan Districts/Counties; 14 being English Unitaries; 7 being Welsh Unitaries; and 11 being Scottish Unitaries). As Table below shows, of those 61, only 8 had experienced a net budget increase over that four year period (i.e. 13%). All others (87%) had experienced budget cuts to varying degrees². In one case, the reduction reported was in excess of 50%, and in ten other cases of more than 33%

² Budgets measured in cash terms.

(i.e. before allowing for the real-terms effects of inflation)³. Moreover, we learned through several of the case-studies that sharp cuts in trading standards budgets had been made in many local authorities ahead of this four year period, and that, in all probability, no departments would now be operating with the levels of resources available to them in, say, 2008-09 or earlier. Indeed, the story in all twelve case-studies was of staffing levels having been more or less halved since that time, and mostly in just one or two retrenchment episodes involving significant structural reorganisations to down-size, rather than more steady contraction year by year.

Also notable in Table, however, is the considerable variance that persists in the sizes of departmental budgets and, by implication, in staffing establishments (from just £120k in one department in Scotland to more than £2million in several in the English county authorities). Moreover, this, it seems, is not just a reflection of differences in the size of local authority populations for, as can also be seen in the table, expenditure per head of population also varies quite markedly between departments/local authorities. Seemingly the extent of commitment made to trading standards activities by local authorities remains quite varied even after a period of significant budgetary cuts. While the average net cost per head for those English county departments responding to the survey has been computed at £2.27 (and very similarly, at £2.30, for the English unitaries), the equivalent figure for the London boroughs was calculated to be £2.07 and £1.81 for metropolitan area departments. In some contrast, the average expenditure per head of responding trading standards departments in Wales was calculated to be £4.03 and for Scottish respondents, some £4.70 (although these latter figures no doubt reflect the inevitably higher unit costs involved in providing services in some of the most remote and sparsely populated areas of the UK).

Besides the cost per head statistics, Table 1 also provides unit cost data based on numbers of referrals made to departments by the Citizens' Advice Consumer Service (CACS)⁴. It will be noted that patterns of variance in these unit costs (i.e. the cost per 100 referrals) follow a broadly similar pattern to those per head of population, with those for Scottish departments significantly higher than those for England (and also for most of those for Wales too). Taking into account variations in local authority population size and density, it is probably unsurprising to find that those departments with particularly high unit costs tend to be those with the smaller populations and/or

³ The names of the responding departments have not been cited in the table because the survey responses were supplied in confidence.

⁴ CACS is the national call centre organisation which now provides the first point of contact for consumers with complaints or queries about trading standards issues. Those cases judged by the CACS advisers to merit further investigation or action are normally referred to the relevant local authority trading standards department. While the number of such referrals represents only one component of the overall workload of a trading standards department, the broad patterns do suggest it to provide a reasonable proxy for departmental activity as a whole. Data on numbers of referrals from Citizens' Advice Consumer Service is for 2013-14 (the most recent full year for which figures are available), although the financial data used in calculating the unit costs is, as indicated, for 2014-15; the assumption here being that the referral statistics will not vary significantly from year to year.

some of largest territorial extents. Nevertheless, the statistics also do appear to highlight the effect of economies of scale with, for example, department number 25 in the table having one of the largest workloads and budget, yet the lowest unit cost of all sixty one in the sample.

Table 1: Change in Trading Standards Net Budgets and Costs per Head of Population and per Referral from Citizens' Advice (CACs)

Responding Trading Standards Departments	2011/12 budget (£)	2014/15 budget (£)	Change in Budget (2011/12-2014/15) %	2014/15 budget per head of population (£)	2014/15 budget per 100 referrals from Citizens' Advice (£)
English Counties					
1	1,866,000	1,062,000	-43.1	1.88	4.21
2	1,290,652	779,848	-39.6	1.48	2.98
3	3,129,000	2,009,200	-38.8	1.37	3.15
4	2,800,000	1,800,000	-35.7	1.54	2.69
5	2,175,131	1,570,000	-27.8	2.04	4.99
6	2,127,331	1,606,911	-24.5	2.25	6.27
7	1,800,000	1,430,000	-20.6	2.20	5.45
8	1,416,418	1,206,400	-14.8	2.92	6.35
9	2,516,471	2,175,100	-13.6	2.54	5.56
10	2,590,922	2,246,800	-13.3	1.71	4.23
11	2,399,000	2,113,000	-11.9	1.66	3.31
12	1,262,710	1,122,928	-11.1	2.22	5.57
13	2,407,000	2,191,000	-9.0	3.35	8.45
14	1,451,037	1,379,731	-4.9	1.99	4.28
15	1,779,756	1,730,863	-2.7	2.38	5.76
16	1,723,628	1,772,945	+2.9	3.55	8.02
17	1,938,664	2,127,144	+9.7	1.91	4.61
London Boroughs					
18	718,650	526,913	-26.7	2.22	5.71
19	470,510	399,180	-15.2	1.57	5.46
20	565,000	510,000	-9.7	1.66	6.02
21	770,050	721,074	-6.4	2.84	12.45
Metropolitan Districts					
22	472,000	266,000	-43.6	1.17	2.55
23	462,972	336,286	-27.4	1.44	4.01
24	894,700	679,700	-24.0	2.21	4.28
25	2,979,000	2,381,000	-20.1	1.07	1.99
26	525,432	478,016	-9.0	2.07	5.82
27	410,416	394,700	-3.8	2.66	7.64

28	605,072	598,800	-1.0	1.19	3.09
29	559,400	558,533	-0.2	2.64	5.59
English Unitaries					
30	1,319,560	574,238	-56.5	1.88	3.82
31	854,333	409,300	-52.1	0.87	2.06
32	607,771	320,077	-47.3	2.31	4.95
33	758,710	485,000	-36.1	2.90	6.23
34	607,788	404,572	-33.4	1.99	4.95
35	530,000	440,000	-17.0	2.76	4.58
36	490,000	410,000	-16.3	2.78	4.81
37	933,222	828,563	-11.2	2.71	6.67
38	436,904	391,534	-10.4	1.54	3.42
39	1,112,000	1,050,000	-5.6	3.14	5.29
40	466,545	444,234	-4.8	3.21	7.89
41	345,000	336,000	-2.6	2.40	5.32
42	435,726	424,221	-2.6	1.65	3.40
43	703,293	690,451	-1.8	2.69	4.72
Welsh Unitaries					
44	474,785	372,786	-21.5	5.34	11.51
45	476,050	384,779	-19.2	4.11	7.23
46	364,179	320,510	-12.0	3.51	5.42
47	424,000	377,000	-11.1	4.14	7.63
48	779,000	713,000	-8.5	2.98	4.41
49	462,843	475,700	+2.8	3.40	6.13
50	1,014,423	1,115,740	+10.0	4.76	11.19
Scottish Unitaries					
51	684,000	548,000	-19.9	6.22	21.00
52	2,950,427	2,624,033	-11.1	7.77	22.09
53	584,131	538,000	-7.9	4.64	13.52
54	653,338	606,812	-7.1	1.27	29.31
55	204,000	198,000	-2.9	9.27	56.57
56	913,000	897,000	-1.8	3.55	11.86
57	245,956	244,182	-0.7	10.54	81.39
58	487,970	493,889	+1.2	3.26	10.41
59	116,500	122,000	+4.7	4.41	12.20
60	278,170	314,310	+13.0	2.01	7.43
61	382,837	455,700	+19.0	4.00	10.08

The implications of the level of reductions in budget (and particularly in staffing levels⁵) experienced by the majority of trading standards departments responding to the survey appeared to be many and varied, but could generally be categorised into three main types of effect – effects on ways of working and priorities; effects on the

⁵ For further information about changing staffing levels in trading standards, see ‘The Workforce Survey’ report (NTSB/TSI, 2014).

activity portfolio of trading standards departments; and effects on departmental staff remaining in post. Most of the comments reported in the survey responses in these respects, as itemised below, were articulated by multiple respondents (albeit expressed in slightly differing ways).

Effects on ways of working and priorities

- Most of the work is now reactive (and complaint-driven) rather than proactive (and preventative).
- All work is risk-assessed and cases are only investigated if a threshold is reached.
- We now triage complaints and no longer deal with all criminal complaints reported to us.
- There is a drive towards a commercial approach to generate income to balance on-going reduction in budgets.
- We have reduced demand through 'channel shift' (to more on-line advice and information).
- The Consumer Advice Centre has been closed and all 1st tier consumer advice stopped.
- We now send only one letter to a trader on behalf of a complainant (thereafter the consumer must pursue the complaint).
- We no longer/rarely do promotional or educational work (including 'under-age sales' education in schools).

Effects on the activity portfolio

- We have moved away from proactive market surveillance.
- We only inspect high risk food premises.
- We no longer administer the 'Proof of Age' scheme.
- We have scaled back the advice and support we provide to consumers.
- We have ceased offering the 24 hour stand-by telephone line (although we do still provide emergency cover).
- We have reduced the amount of consumer goods and services tested and the number of investigations and enforcement actions carried out.
- We have stopped enforcement of overloaded goods vehicles.
- We no longer treat 'business support' and 'protecting the environment' as priority areas.
- We have reduced the number of 'approved trader' schemes we operate.
- We no longer have a motor traders scheme and we have passed the operation of the Home Services Directory to Age UK.

- We no longer provide consumer advice and 2nd tier consumer advice to vulnerable consumers is very restricted.
- The number of enforcement projects has been reduced.
- Community engagement work has been reduced (e.g. new 'Cold Calling Control Zones').

Effects on the department and staff

- Existing staff under more pressure and needing to prioritise what work will do.
- Increased workloads for staff and greater use of contractors (e.g. to deliver feed samples).
- Loss of morale; loss of specialisms and loss of experience.
- Losses of back-office support staff (as well as professional staff) have meant that remaining staff spend more time carrying out basic admin duties and which is poor use of their (more expensive) time.
- We have lost much expertise and experience (e.g. in relation to animal feedstuffs).
- We have less resilience/ability to cover for absence (cover for staff sickness/holidays is often problematical).

These comments were strongly echoed in the case-study interviews. At each, interviewees emphasised the more reactive stance that trading standards had adopted, in being driven much more by the referred complaints and the intelligence reports received rather than by the more systematically planned and proactive surveillance work of inspections, sampling, mystery/test purchases and the like. The level of proactive consumer education and awareness-raising work, for example, in schools, had also been a significant casualty of the budget reductions, although most departments indicated still doing what they could in this respect. In addition, several of the case-study departments had established 'trusted trader' ('buy with confidence') schemes or designated 'Cold Calling Control Zones' as proactive initiatives to address problems of rogue trading and doorstep crime. Several had also turned to other possible funding sources (e.g. national agencies or European funds) to support projects that otherwise could not proceed because of restricted local budgets. Income generation more generally, was a significant theme in most of the case-study departments, and indeed in one, the metrology team was now devoting far more time to the undertaking of specialist contract work for other local authorities and for private businesses than to 'legal metrology' work (i.e. inspecting weighing equipment within its own local area). Indeed, the financial managers of the same local authority had now set annual income generation targets (of increasing magnitude in successive years) for the metrology team, essentially to offset and support cuts in the department's overall expenditure budget.

Perhaps of most significance from the case-studies as a consequence of the budget cuts and on-going resource pressures, however, was the significant and widespread reduction in routine surveillance/inspection work – traditionally a mainstay of trading standards departments. In each of those visited the story was the same; with relatively few planned inspections beyond those required by the relevant national agencies, or because of particularly high risk categorisation, for example, in relation to food premises (manufacturers, importers/wholesalers or retailers), farms, petrol stations, public houses and other such outlets. Moreover, several officers pointed out that, when they did make inspection visits, they almost invariably found instances of non-compliance, mostly fairly minor, but nevertheless, indicating to them that standards were slipping as a result of the new reality that most businesses were now not seeing a trading standards officer from one year to the next.

With regard to the effects of resource constraints on the departments and on the teams of staff within them, the case-studies also underlined some of the survey comments about the consequences of losing back-office staff and of generally less resilience within the organisations – several of the teams visited now being down to single figure establishments – and, as a result, having to work more closely together as more generalist teams of trading standards practitioners, and less as individuals each with a particular specialism. Indeed, the visits generally revealed cohesive and hard-working teams of staff with evident strong motivation and determination to maintain standards and provide professional services to the best of their abilities.

The visits also highlighted a number of aspects concerning supporting resources that clearly created frustration for staff and which were felt to hinder efficiency of operation. In particular, the relatively poor public sector IT systems and IT support provided by many of the parent councils were a source of much critical comment (and were suggested by more than one interviewee to be in some contrast with those now in use by their private sector counterparts providing similar services under contract). At one department, for example, a maximum of four staff could access the databases simultaneously; while in another case, a recently-appointed member of staff had been waiting more than six months for IT support to provide her with a password to access the 'Memex' intelligence system. Office working conditions, too, were evidently not always sufficiently supportive of efficient working. At one department, for instance, there was no spare accommodation for interviews or meetings (meaning that the research interviews had to be conducted in the office of a senior officer whose working day was consequently greatly disrupted). In another, all staff (including the head of service) sat at desks in very close proximity to one another in one small corner of a larger open-plan office, making concentration on individual work extremely difficult, especially when another was on the phone or in a conversation within the office area. Unsurprisingly perhaps, staff in this department, often chose to work from home when they were not out on visits in order to be more productive. Staff also talked with much displeasure about the time-consuming bureaucratic work involved in filling out report forms and other paperwork in the follow-up to visits; several questioning whether it represented good use of

professional officers' time. Indeed we encountered many examples of decidedly out-dated manual recording processes (including one where metrology staff had to do a calculation by hand from measurements they had taken). The scope for automation/electronification of such processes seemed glaringly obvious and, indeed, for more efficient and 'agile' ways of working generally. But it seemed that the resource constraints were such there was little opportunity to introduce more up to date ways of working. Moreover, it was suggested at one case-study visit that the relatively small size of departments these days (and indeed of trading standards nationally) made any major project to redesign the administrative procedures and to develop more efficient IT processes for the services of questionable viability.

The Pursuit of Greater Efficiency and Effectiveness

Aside from such 'ways of working' issues, the national survey revealed a wide range of other actions that had been taken by departments in the past few years in pursuit of greater efficiency and effectiveness and because of reducing resources. In this respect survey respondents were asked about key changes made in the past three years, on the one hand, in pursuit of greater efficiency and, on the other, of greater effectiveness (the former defined as 'maximising outputs from resources', and the latter as 'prioritising available resources to activities of greatest benefit'). Some 193 comments were proffered on efficiency by more than 100 of the respondents. Unsurprisingly, the most commonly cited response was, indeed, 'reductions in staffing levels' (referred to by 83 per cent of respondents). However, the range of further responses offered is summarised in Table 2 below – and categorised under six main headings.

Table 2: Initiatives Cited In Pursuit of Greater Efficiency

Category of Response	Key actions cited as having been taken	Nos. responses	% of all responses
Service Change	Termination/reduction in 1-2-1 advice services; switch to web-based information/advice	67	35%
	Focus on a more limited set of priorities/outcomes		
	Termination/reduction in promotional campaigns/awareness-raising (including school visits and Approved Trader schemes)		
	Termination/reduction in non-statutory work; routine/low risk inspections/testing		

	<p>More focus on reactive, complaint-driven work rather than proactive investigations</p> <p>Shift to Intelligence-led enforcement</p> <p>Shift to more project-type work</p>		
Redefined Job Roles	<p>Deployment of lower grade staff for specialist work</p> <p>More multi-skilled/generic staffing</p> <p>Merging of specialist teams</p>	41	21%
New Ways of Working	<p>Triaging complaints</p> <p>Application of 'Business Process Re-engineering'/'Lean' approaches</p> <p>Agile working/Hot-desking</p> <p>Greater use of information technology/information sharing</p>	31	16%
More Partnership-working	<p>Introduction of shared services/shared management</p> <p>Joint-working with depts. From other local authorities</p> <p>Outsourcing to the private sector</p> <p>Merging with Environmental Health teams</p>	27	14%
Intelligence-Driven Business Model	<p>Adoption of the Integrated Operating Model (IOM) or National Intelligence Model (NIM)</p> <p>More Systems Thinking</p>	14	7%
Emphasis on Income Generation	<p>Pursuit of external funding opportunities, e.g. from public health</p> <p>Charging for business advice</p> <p>Commercial work</p>	13	7%

A similar range of responses was also provided in relation to the pursuit of greater effectiveness – with some 108 comments provided in this respect – which are similarly summarised below in Table 3 but this time categorised under four headings. As will be seen, there was much common ground between the responses, on the one hand, for efficiency and, on the other, for effectiveness, suggesting either that

respondents saw benefits in both respects from the various initiatives that had been undertaken or were confused about the respective definitions of the two concepts⁶.

Table 3: Initiatives Cited In Pursuit of Greater Effectiveness

Category of Response	Key actions cited as having been taken	Nos. responses	% of all responses
Development of an Intelligence-led approach	Intelligence-led enforcement Introduction of IOM Tasking & Co-ordination Processes Appointment of an Intelligence Analyst More time spent analysing intelligence Use of MEMEX to share intelligence Complaints used as intelligence More 'No Cold Calling Zones' to generate more intelligence	59	55%
More targeted priorities focusing on high need/risk and of local importance	Fewer medium/low risk inspections Focus inspections on areas of local priority Targeting greatest need/risk Development of primary Authority work Focus on local rather than national priorities	22	20%
More joined-up working	Closer working with other departments Partnerships/mergers with other local authority trading standards services More regional collaborations Contracting out unviable services (e.g. animal health)	16	15%

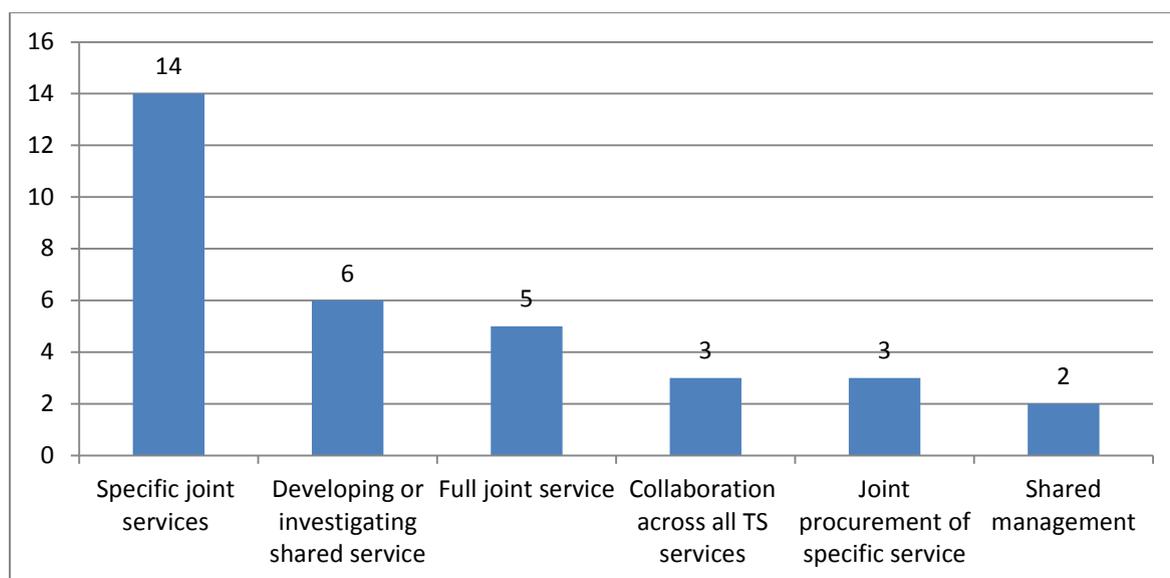
⁶ As indicated, in the survey we provided our definition of 'efficiency' as 'maximising outputs from resources', while for 'effectiveness' our definition was given as 'prioritising available resources to activities of greatest benefit'.

	Stronger links with the Local Enterprise Partnership (LEP) and Economic Development		
	Stronger links to local Citizens Advice Bureaux		
Service/Funding Changes	Introduction of hub to triage/assess and prioritise More publicity campaigns to encourage businesses and consumers to help themselves Charging for business advice/support (as cost recovery) Seeking external funding for staff posts (e.g. public health)	11	10%

Towards More Collaborative Working – The Drivers and the Obstacles.

Collaborative working is increasingly a key mode of operation for trading standards departments. That was apparent both from the case-studies and the national survey responses. In the latter, several questions were asked about involvement in partnerships and collaborations, whether with other departments of the parent council, with external bodies, or with counterpart departments in other local authorities. In fact 102 respondents confirmed that their department was working collaboratively with either (or both) another trading standards department, a regional group and/or another partner (including from the private sector). Of these, 33 (32%) reported being involved in some form of 'joint service' - these ranging from a shared service for a specific function (of which metrology was the most commonly cited example, with 8 such respondents). Two respondents were each involved in (different) shared services for animal health and welfare. Meanwhile, six other departments indicated that they were currently either in the process of establishing a joint service arrangement or at least seriously considering or examining the feasibility of one. Five respondents said they already operated within a full joint service; three reported collaborating closely with another department but had not entered into a formal sharing agreement; three more were jointly procuring specific services from another council, and two indicated having shared management arrangements with other councils (see Figure 3). The responses received also included one council that had outsourced its trading standards service to the private sector through a joint venture initiative involving guaranteed levels of service delivery and guaranteed fee income for the Council.

Figure 3: Collaborative Initiatives and Trading Standards



41 respondents reported being involved in sub regional or regional collaborations. This type of collaboration was said to include informal sub regional groups focusing, for example, on particular projects or services, such as food sampling, illicit tobacco sales, and metrology. It was also reported that, in Wales, the widespread expectation was that, over the next few years, the majority of trading standards work was likely to become regionally organised. Other formal sub-regional and regional arrangements that were reported already to exist were mainly focused around metrology - with six consortiums or partnerships delivering such services (one weighbridge consortium and five weights and measures laboratories). One department also indicated receiving regional funding to carry out work on animal feed and associated hygiene on behalf of other trading standards departments.

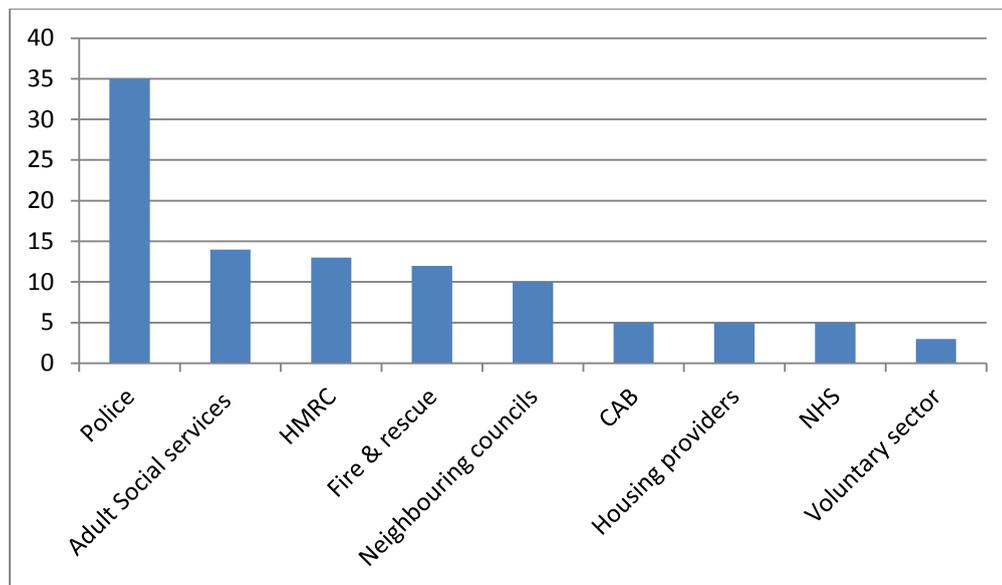
Several respondents referred to their regional associations/groups as important partnerships. The North East Trading Standards Association (NETSA) was one such partnership – this comprising twelve trading standards departments in the region and, as with all such regional groupings, providing opportunities for sharing ‘best practice’, for co-ordinating regional bids for funding, undertaking regional tasking projects and organising shared training events. One of the survey responses from the north east indicated that a funded NETSA coordinator post also undertook work on behalf of all the member departments, involving collation and dissemination of national data and the co-ordination of responses and work-streams.

Four councils reported on their secondment arrangements with the police – three involving a police officer working within the trading standards department, and the other where a trading standards officer worked part time with the police, specifically on rogue trader problems.

Fifteen respondents indicated providing trading standards services on behalf of another authority – including six that provided metrology services, three carrying out

'proceeds of crime' investigations, four delivering animal health services, three providing vapour recovery services, one undertaking consumer credit licensing visits for the Financial Conduct Authority (FCA), and one providing a range of lesser services for district councils. On the other hand, only three respondents indicated purchasing trading standards services from other councils; these covering metrology, petroleum inspections and animal health.

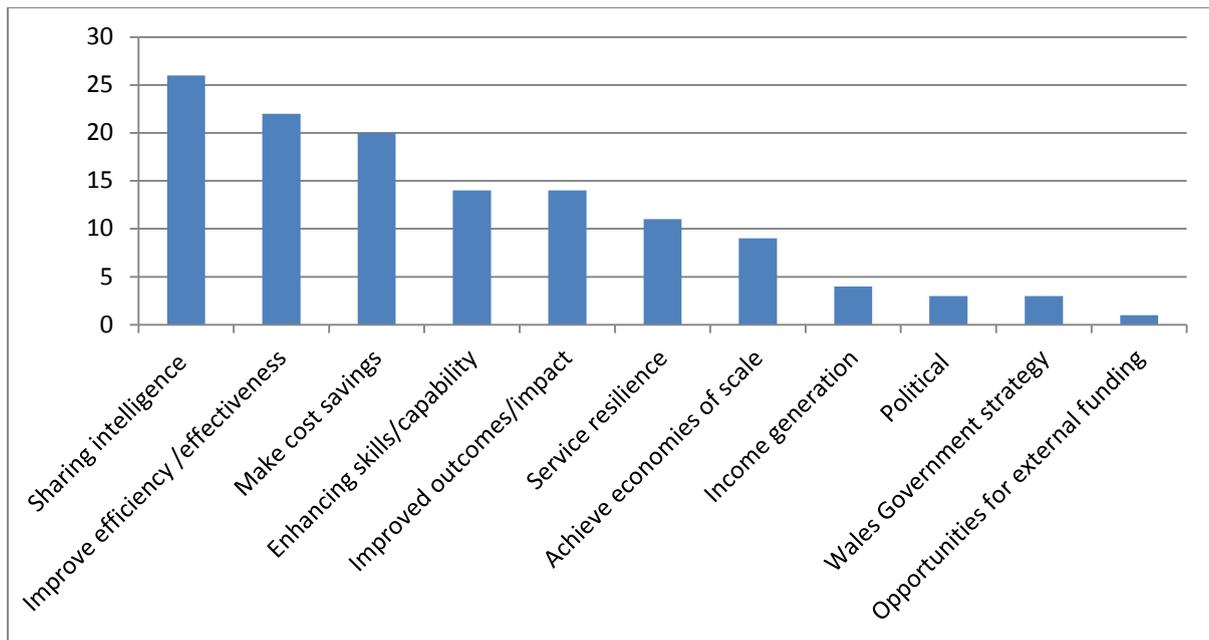
Figure 4: Key Partners for Trading Standards Departments



Regarding the broader patterns of collaborative working with different agencies, Figure 4 shows the main partners cited by respondents. Here it can be seen that the police were the most commonly cited partners, but in addition to the other public and independent sector agencies shown here, several respondents mentioned working with the Big Lottery Fund, DWP, the Ministry of Justice, Royal Mail, the Prison Service, Immigration Enforcement, and with local schools. Four responding departments also reported being involved in collaborations with private sector organisations, specifically for an 'approved trader scheme', while another indicated that consideration was being given to a similar initiative.

The survey also asked respondents about the drivers behind their collaborations, the benefits and difficulties encountered in so doing and, indeed, about the main obstacles to collaborative working. In these respects many of the responses about drivers suggested that a combination of factors lay behind their decisions to work with others in some form of partnership. Such key drivers as cited by way of response are summarised in Figure 5 below:

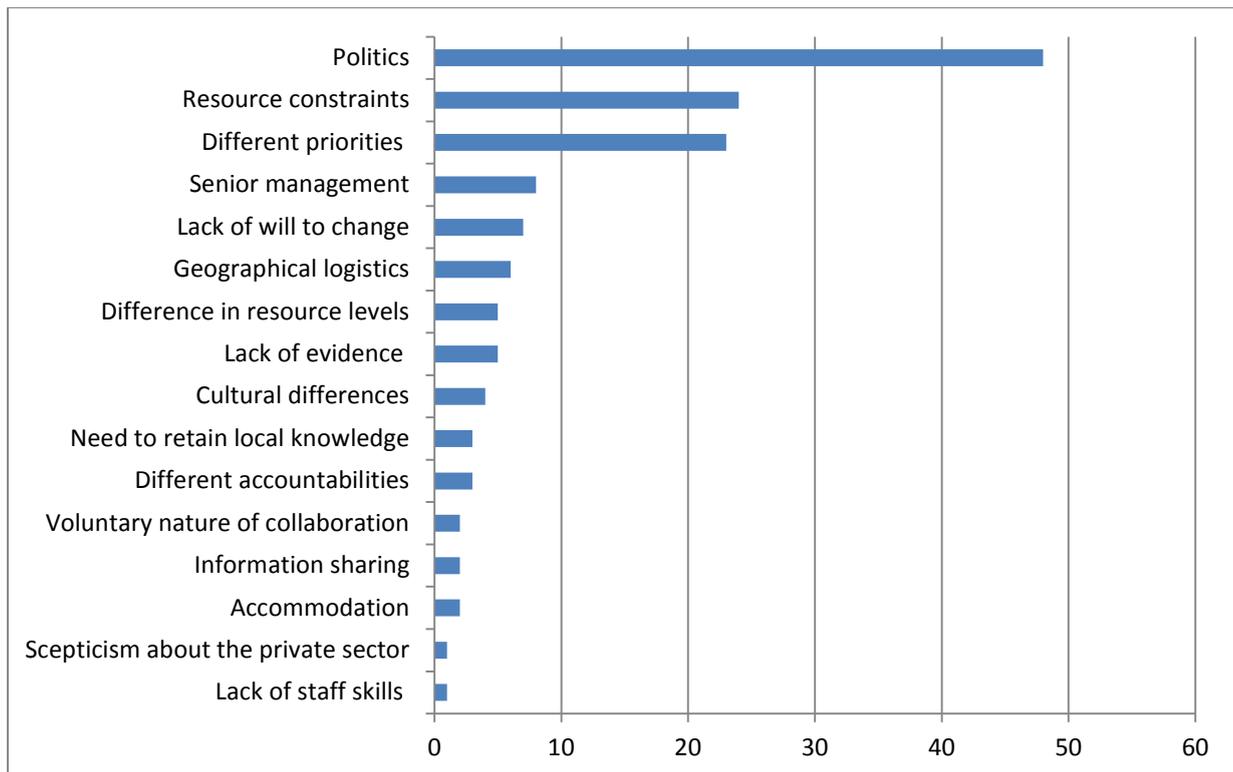
Figure 5: Drivers behind Collaboration



With regard to perceived obstacles, some 118 responses were suggested, which are summarised in Figure 6 below. The most commonly cited response was ‘politics’ (41%), but also much mentioned, unsurprisingly, were resource constraints (20%) and the differing priorities of other agencies and other councils (19%).

Turning to the case-studies, these again demonstrated many examples of newly-formed collaborations and tended to emphasise the key driver in most cases as having been resource constraints and the inability to maintain all the expertise needed and, in the case of some services, particularly metrology, to justify the space and equipment requirements. As a result, our metrology case-study was now undertaking work for several other local authorities as well as for businesses; our business advice case-study was undertaking all trading standards work for the six districts within its area; our animal health and welfare case-study had recently established a full shared service with a neighbouring county; our food standards case-study was in the process of negotiating a similar shared service arrangement with a near neighbour; and another of the set had contracted with the private sector for the undertaking of statutory functions.

Figure 6: Obstacles to Collaboration



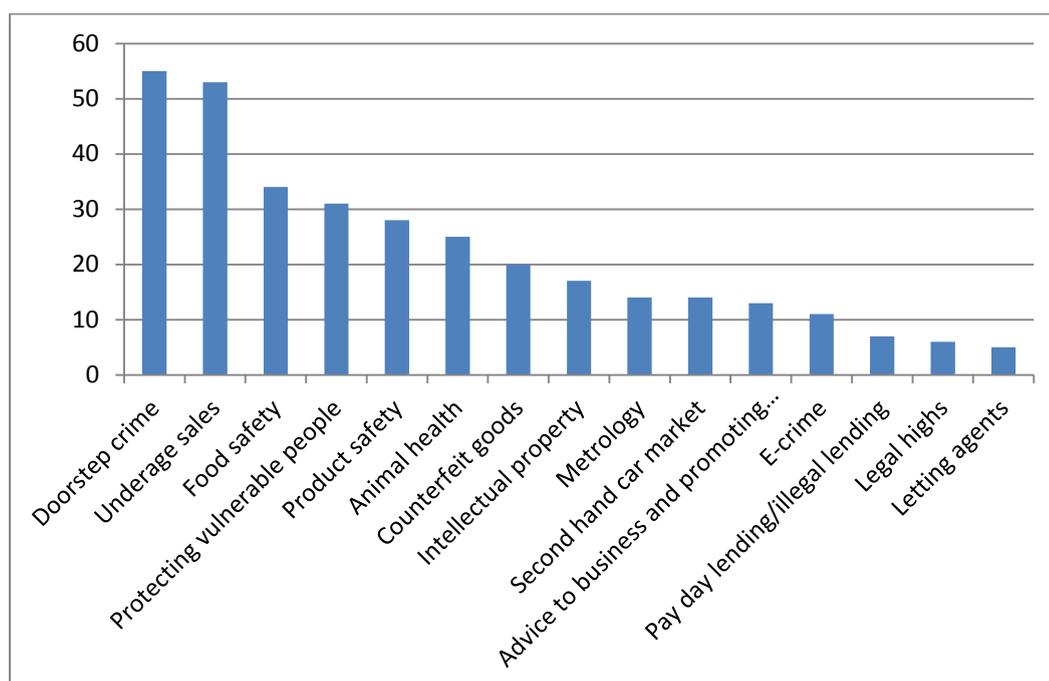
On the other hand, another of our cases had recently withdrawn from a contracting arrangement with a neighbouring council, and taken back the service delivery responsibilities, because it was considered this offered better value for money. Indeed in another of the cases again, the decision had been recently taken to draw back from a shared service arrangement that had reached an advanced stage of planning and preparation for similar reasons. But in another yet again – this being a relatively small and geographically compact local authority area - there was widespread acceptance among staff that a shared service would deliver greater efficiencies and reduce some of the pressures currently being experienced; indeed there was considerable enthusiasm for operating in future as a larger single service with neighbouring departments. On the other hand, for some of the more rural and extensive areas, as in the case of at least two of our case-studies, views on the prospects for, and perceived scope for, sharing services with neighbours were more mixed. In one, where a shared service had recently been established, the experience to date was said to have been mostly very positive. But at another, a key obstacle to such sharing was said to be the large travelling distances involved, and therefore the need for more than one office base to be retained, thus raising doubts about the economic benefits to be gained.

New Service Priorities

As well as the shift from being a dominantly inspection-led service to one more driven by intelligence and reported complaints, another notable change of emphasis, evident in both the survey responses and from the case-study visits, has been from vital, but essentially background and low-profile (or invisible), regulatory activities such as checking weighing equipment, analysing and investigating the provenance of food samples, and testing the safety of products, to more publicly visible responsibilities that more obviously address current community concerns, for example, protecting the vulnerable from rogue traders, scams and door-step crime, contributing to other public health and social issues such as alcohol and substance abuse, especially among younger people through actions to enforce age-restricted sales.

From the survey responses, the two most commonly cited priorities for trading standards departments in 2014-15 were said to be doorstep crime and tackling underage sales (see Figure 7). Moreover, while recent revelations in the news about horsemeat in supposedly beef-based food products and cheap phone chargers that were at risk of exploding or igniting, have understandably raised new concerns in people's minds about food and product safety (reflected no doubt in the prominence of such priorities in the graph), the number of departments now prioritising protection of vulnerable people, action on second hand car sales, on legal highs and pay-day lending was also revealing of the emerging revision of priorities in trading standards.

Figure 7: Numbers of respondents stating priority issues for their trading standards departments



At the same time the research also highlighted strong emphasis on priorities of a more corporate local government nature, such as offering value for money and working more closely with partners. Indeed, one department stated that income generation was now a priority for them. But more than a third of respondents to the survey referred to the now stronger linkage between trading standards priorities and those of their parent councils, compared with just 7% that indicated their priorities were based on nationally-advocated ones (e.g. those advocated by National Trading Standards Board). Certainly we saw much evidence in the case-study visits of care being taken, especially recently in the challenging financial climate, to make the connections between trading standards work and the wider council priorities to which they were expected to contribute. One example of this was in Overview Case-Study No. 2 – see page 62 below - where, as evidence for a service review of budget requirements, performance and efficiency, the department had specifically ‘mapped’ its own particular priorities and activities on to the six strategic priorities of the Council.

Overall, however, it was clear to us that use of more systematic forms of annual priority-setting, and indeed more regular ‘tasking’ processes, had become embedded practice in trading standards and a fundamental part of the way of working for most departments. Many respondents to the survey referred to using a standard priority-setting process, where priorities flowed from those set at a corporate level, and several respondents referred to a ‘golden thread’.

Several respondents to the survey also reported using analysis tools such as PESTLE and SWOT as part of their priority-setting processes. Others reported being more dependent on strategic analysis of complaints data and on information from partners and regional networks to help define their priorities, whether for the immediate year ahead or for three year forward plans. Others again had moved to, or were in the process of adopting, the Intelligence Operating Model (IOM) to generate their strategic assessment of priorities. One such department manager commented that:

‘We are completely intelligence-led and therefore our priorities are whatever the issues at the time are relevant to (the area)’

‘Downsizing’ was widely regarded as having necessitated a greater emphasis on priority-setting, as illustrated by one department that had recently experienced a particularly sizeable budget reduction with consequent staff redundancies, and where the head of service explained matters as follows:

‘Prior to the 2012/13 financial year the service undertook a 3 year strategic threat assessment that we have reviewed annually since. From the results of this assessment we have chosen 4 strategic priorities to tackle, with work planned under a control strategy. The control strategies are developed annually and kept under review at monthly tasking meetings where resources can be moved between teams to meet resourcing demands. There are a number of duties we prescribe as core work that take precedence, the “must

do's", these would include work that generates income, e.g. FSA Food and Feed, Tobacco and Alcohol Surveys for Public Health, and the day-to-day record keeping and performance management requirements. The control strategies are the "Should Do's", and this work takes priority over any other demands that may arise, defined as maintenance or the "Could Do's". Increasingly we are having to define a further category of duties defined as the "Won't Do's".

However, another respondent argued that their department was, in effect, no longer able to plan its workload and priorities in any proactive and systematic manner because of the uncertainty now surrounding staffing levels into the future:

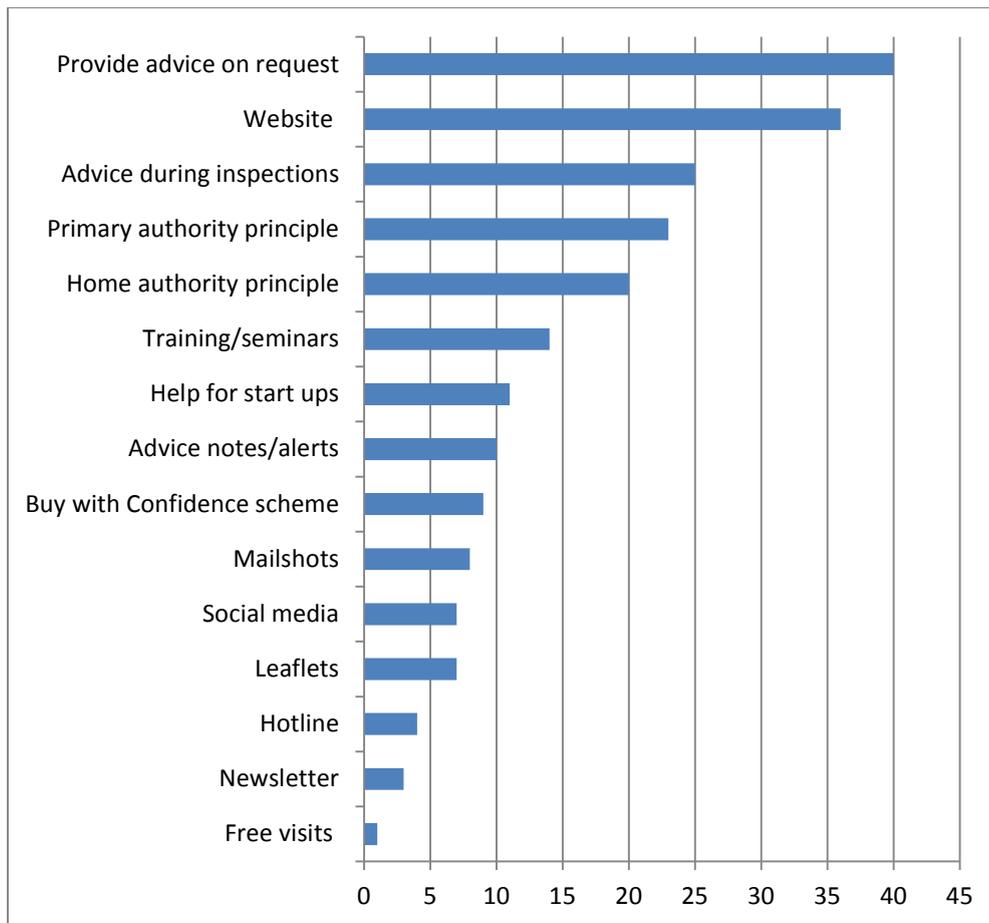
"In truth in recent years the over-riding factor has been to muster an acceptable reactive response in the highest priority areas, or those complaints attracting corporate attention, due to the level of reductions in staff resource."

Supporting Business to Ensure Compliance

The survey responses and the case-study visits all provided clear evidence of the commitment in trading standards to support business in facilitating compliance although it was emphasised that resource constraints meant that less could now be done in this respect than was felt desirable, particularly with regard to more regular contact through visits. Almost all survey respondents answered with positive comments to a question about the means through which they provided support to businesses and only one indicated being unable to offer services in this respect. The types of business support offered are shown in Figure 8 below. Although the survey did not ask specifically about charging for such support, eleven respondents made the point that they continued to offer business advice free of charge, while two indicated having introduced charges in this respect. Four also indicated offering time-limited advice for free, and four others said that they offered free advice only to certain types of business (notably new start-ups or SMEs) or only in relation to certain categories of advice.

All four 'overview' case-study departments indicated their receptiveness to calls for advice from businesses and several talked at length about their willingness to make time to visit new businesses to introduce themselves and to discuss needs for further information about regulatory requirements. All also recognised the value of additionally providing such information on a self-help basis through their websites, though several acknowledged that there was work to be done to update these and to make the information more accessible from the home-pages of their councils' websites. Again, shortcomings in levels of IT support within the councils was cited as a particular problem, and a source of frustration, for departments in this regard.

Figure 8: Support for Business



Measuring and Evaluating the Impact of Trading Standards Work

Both the national survey and the case-studies revealed quite limited assessment of the impact of trading standards work. In the survey just over half (56%) of respondents replied in the affirmative to a question about whether or not their departments had undertaken work to monitor and evaluate some or all of the impact of their activities, but many of the responses to a follow-up question seeking details of such work revealed quite limited evaluative insights. That said, the twelve case-studies at least highlighted strong commitment to accountability in relation to impact, with much emphasis given to the importance of sharing information about achievements with elected members (who, in turn, it was said, were keen to have evidence of the impact of trading standards work). However, the twelve case-study visits did also serve to reinforce the perception gained from the survey responses that the quality and quantity of data on outcomes and impact of trading standards interventions was, at best, patchy and mostly anecdotal in nature. Thus, although all our interviewees demonstrated their concern to make a positive difference through trading standards interventions, what was clearly lacking was a more systematic

framework of measures covering all aspects of the work and providing a robust evidence base of overall impact. Particularly striking was the dearth of evidence to measure and support the arguments made about the importance of proactive surveillance in helping to sustain compliance and minimise the risks of detriment and harm – difficult though of course quantification in this respect would be without a comparable counterfactual. Instead, most of the monitoring and evaluation initiatives that were discussed or shown to us as exemplars tended to be quite specific and limited to the following forms:

- Output and outcome-based key performance indicators (KPIs) such as the number/proportion of businesses brought into compliance (or requiring on-going enforcement actions).
- Evaluations of particular investigative projects (e.g. on the nutritional value of meals served in care homes).
- Public consultations and user surveys with questions about the value of trading standards services.
- Records of numbers of scam calls received before and after installation of call-blocking equipment.
- Use of a formal 'reflect' process in the Unit (based on EFQM).
- Evaluation of pilot 'Cold Calling Control Zones' by resident perception surveys of safety.
- Customer satisfaction surveys and feedback responses.
- Monitoring 'footfall' on the trading standards website.

The apparently limited nature of such impact evaluations were echoed in the findings from all twelve case-study visits. Staff were themselves very confident, in an intuitive sense, about the value of regular inspection visits in helping to maintain standards and acting as a deterrent to non-compliant practices – regretting the loss of so much such work through resource constraints. But none were able to provide much more than anecdotal evidence and illustrations to substantiate their argument. Similarly, while the departments were able to furnish us with quantitative data on inputs and outputs, such as the numbers of visits, and other interventions taken, and some of the results achieved (e.g. numbers of faulty weighbridges identified, the number of prosecutions successfully pursued, the number of formal warning notices served, and the value of the financial remedies achieved on behalf of consumers following complaints about faulty or otherwise unsatisfactory purchases) none were able to offer very much in the form of outcomes or impact.

We will return to such findings again in light of the fuller discussion of the twelve case-studies, but first we elaborate further on the challenges of measuring such outcomes and impacts and, to help in this respect, and consider further the

regulatory policy context for trading standards work and also for the underlying rationale for interventions of one form or another.

Chapter 3: Policy Contexts and Conceptual Perspectives.

In this chapter we particularly focus on the economic case for trading standards regulatory interventions and for which our starting point is the Treasury Green Book's statement of the rationale for government intervention in the economy more generally:

“This underlying rationale is usually founded either in market failure or where there are clear government distributional objectives that need to be met. Market failure refers to where the market has not and cannot of itself be expected to deliver an efficient outcome; the intervention that is contemplated will seek to redress this.

Distributional objectives are self-explanatory and are based on equity considerations.

Government intervention can incur costs and create economic distortions. These must be taken into account to determine whether intervention is warranted. For example, a regulation may be successful in addressing a particular market failure, but might also involve other costs that mean that overall it is not worthwhile.”

(HM Treasury, 2011a, p. 11).

This Treasury framework has been important in informing and shaping our approach towards this research, at least in broad terms, especially in encouraging consideration of the different forms of market failure, of how these might variously justify trading standards interventions, and of the benefits that might arise in acting to correct them. In examining such issues, we have also focused on considerations of equity and on the costs and benefits arising from regulatory interventions in response to market failure. With regard to benefits, we have tended to follow the standard economics approach of viewing them from a consumer-sovereignty viewpoint⁷ i.e. as expressed by the consumer's willingness to pay for a particular good or service in the first place.

An important question here, however, when considering costs and benefits of regulatory interventions concerns whose costs and whose benefits should be taken into account? This question has been discussed in the literature under the heading of “*standing*” or “*standpoint*” (Whittington and MacRae, 1986; Boardman et al., 2010).

⁷ Under consumer sovereignty individuals are considered to be the best judges of the value they derive from goods and services they are offered. This is a value judgement, and an alternative is the value judgement that some people know better than others and the others should be steered towards better judgments. The problem with this latter approach is the elitist and undemocratic difficulties of selecting an elite to rule on values.

The usual cost-benefit approach is to take the “societal perspective” by considering all costs and benefits of correcting a market failure (Drummond et al., 2008). The societal perspective is the overall standpoint used by the Treasury in considering costs and benefits of a programme or policy.

“Social Cost Benefit Analysis seeks to assess the net value of a policy or project to society as a whole. The valuation of non-market impacts is a challenging but essential element of this, and should be attempted wherever feasible. The full value of goods such as health, educational success, family and community stability, and environmental assets cannot simply be inferred from market prices, but we should not neglect such important social impacts in policy making” (HM Treasury, 2011a, p. 57).

This societal perspective standpoint is generally considered to be the appropriate perspective to use when looking at the question of whether interventions are a “good thing” or not, and the basic question is whether all the benefits exceed all the costs.

Although the most basic approach is to consider benefits and costs to the whole of society, variations on this approach can be envisaged, depending on whose costs and benefits are to be included. So, it might reasonably be asked, for example, whether the benefits and costs to the traders in counterfeit goods or to the criminal scammers should also be included. Any intervention that reduces opportunities for such criminal trading behaviour will not be popular with those seeking to exploit and defraud consumers. But most reasonable opinion would probably regard such cost as undeserving for inclusion in taking an overview (Cohen, 2000).

Another distinction frequently made is between the fiscal viewpoint and the overall societal perspective (HM Treasury, 2014). Thus, reducing spending on trading standards might reduce public spending, but it is also likely to generate costs for society as a whole – costs that will perhaps outweigh any such spending reductions. For example, there is evidence to indicate that doorstep crime can lead to vulnerable residents losing their capacity for independent living. So it is possible that any reduction in trading standards activity directed at combatting doorstep crime could lead to a more-than-equivalent increase in social care costs.

Unfortunately, the process of identifying and measuring costs and benefits from a societal perspective presents enormous difficulties, so, in common with most studies, this research has not been able to achieve this in full. However, as indicated in the Introduction to this report, our analysis of trading standards activities through the twelve case-studies, has been structured around a logic model (Kellogg Foundation, 2004; HM Treasury, 2011b) in which the various interventions have been conceptualised initially in terms of the ‘inputs’ involved which can be expressed as costs. However, such costs may or may not be available as monetary costs, depending, amongst other considerations, on local authority accounting practices. Under the same logic model, the ‘activities’ undertaken (i.e. the regulatory interventions) are conceptualised as producing ‘outputs’ which, in turn, generate ‘outcomes’ that have an ‘impact’ – this being the intended benefit. The benefit can

usually be described, at least in conceptual terms, and, ideally, could be estimated in monetary terms, although, as we know not only from our case-studies, but also from experience of cost-benefit research more generally in the public policy arena, this is a very difficult process.

In 2010 the Local Better Regulation Office published a toolkit designed to help trading standards develop logic models for their services (RAND Europe, 2010). That toolkit recommended a sequential approach to developing a logic model that we have generally sought to follow in this research, by defining as precisely as possible the particular inputs involved, the activities being undertaken and the resulting outputs, outcomes and impact through a combination of deskwork and discussion with trading standards officers.

Estimation of the costs and benefits involved in any such intervention would also ideally take account of an estimate of a “do nothing” counterfactual (i.e. what would happen in the absence of the trading standards intervention being considered). But, once again, this is always likely to be an extremely challenging task with many uncertainties involved and questionable assumptions having to be made.

In light of these general observations on trading standards regulatory interventions, however, we turn now to consider in more detail the different aspects of trading standards regulatory intervention on which our case-studies have respectively focused, and the underlying rationale for each with regard to potential market failure. In doing so, we look in turn at business advice, food standards, animal health and welfare, product safety, metrology, doorstep crime, age-restricted sales, and e-crime.

Business Advice

For some time now, national government in the UK has been pursuing a policy commitment towards ‘better regulation’ of businesses. An important element here has been the idea that regulation has costs as well as benefits and that it should only be pursued up to the point where the net benefits of regulation are maximised. This is illustrated in Figure 9 below. The top graph in the figure shows the pattern of total benefits and total costs of regulation while the lower one shows the net benefits of regulation (i.e. total benefits minus total costs). The net benefits of regulation are maximised at R_0 . If the level of regulation is greater than R_0 , a process of deregulation (or cutting regulation back to R_0) can increase the net benefits⁸.

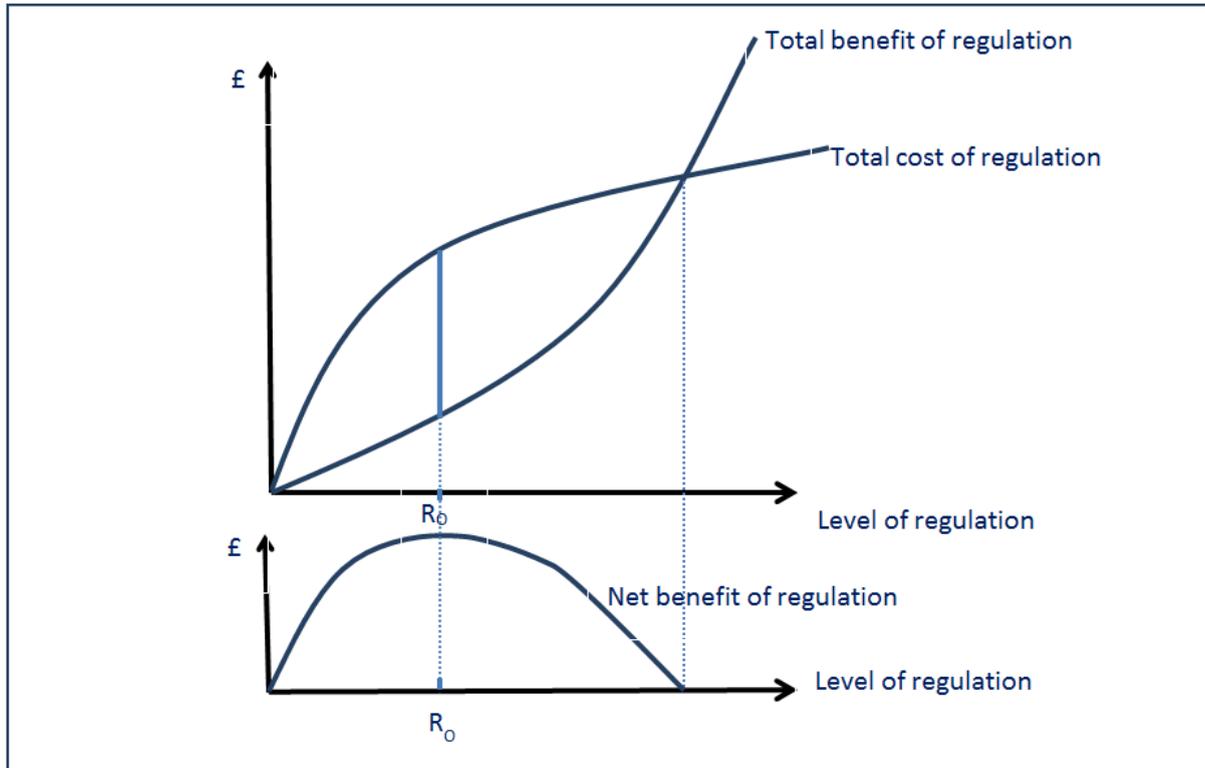
Under the previous New Labour government, the commissioning of the Hampton Report ‘Reducing Administrative Burdens – Effective Inspection and Enforcement’ (H.M. Treasury, 2005) and the consequent Legislative and Regulatory Reform Act 2006⁹, have reflected strong desire to ensure effectively regulated business with as

⁸ See, for example (Ikenson, 2013)

⁹ Among other measures, this legislation established the ‘Local Better Regulation Office’ (LBRO), the functions of which, under the succeeding Coalition Government, have now become the responsibility of the ‘Better Regulation Delivery Office’ (BRDO).

little burden and intrusion as possible. Such a desire has more recently been further expressed in the publication of a ‘Regulators’ Code’ (BRDO, 2014) which sets out a framework of principles and practices to which trading standards and other regulators are now expected to adhere and to which they should have regard when developing policies and operational procedures.

Figure 9: The optimum level of regulation



In the Foreword to the Regulators’ Code, the Minister of State for Business and Enterprise states that:

“This Government is committed to reducing regulatory burdens and supporting compliant business growth through the development of an open and constructive relationship between regulators and those they regulate.”

Moreover, the Code is fairly specific about what is now expected from regulators.

“Regulators should provide advice and guidance that is focused on assisting those they regulate to understand and meet their responsibilities. When providing advice and guidance, legal requirements should be distinguished from suggested good practice and the impact of the advice or guidance should be considered so that it does not impose unnecessary burdens in itself.” (BRDO, 2014, p. 5).

“Regulators should seek to create an environment in which those they regulate have confidence in the advice they receive and feel able to seek advice without fear of triggering enforcement action.” (BRDO, 2014, p. 5).

Despite the difficulties that funding restrictions are creating for trading standards departments, the provision of advice and support to business is viewed by the Government as an important area of activity.

Food Standards

Trading Standards intervene in a wide range of areas in relation to the standards of food manufacture and sale (while environmental health officers also exercise regulatory responsibilities in relation to hygiene and health protection issues in retail premises dispensing food items). Using the Treasury framework referred to above, we can consider the benefits of such intervention in terms of the market failures that are addressed by food specialists in trading standards.

Many of the market failure problems in a food standards context arise because of problems with information – the general problem here being that information is likely to be under-provided by the market, so making a role for government in intervening to ensure appropriate provision of information (Arrow, 1962). There is also potentially the problem of ‘information asymmetry’ – with purchasers and consumers usually having inferior information to that available to producers.

A key idea in a food standards context is that in markets where information asymmetry takes the form of buyers’ uncertainty of product quality, poor food products will compete with, and so drive out, the good quality ones, leaving little or no opportunity for consumers to buy high quality food (Akerlof, 1970). Thus, if it is cheaper to supply beef burgers that contain horsemeat than to provide a pure beef product, and if customers are unable to judge which products are the ones containing horse meat, it is likely that the pure product will gradually disappear from the market (Akerlof, 1970, p. 489) to the detriment of customers who expect their beef burgers to be as advertised.

The problem of information asymmetry, however, can be more complex than this, with a distinction often drawn between “search goods” and “experience goods” (Nelson, 1970; Vining and Weimer, 1988; Caswell and Mojduszka, 1996). In the case of search goods, the consumer is able to judge quality easily, and the problem is more one of searching for the best price on offer. In the case of experience goods, on the other hand, consumers are unable to judge quality before purchase - only after they have “experienced” the product. A further category discussed in the literature on this theme is “credence goods”; for which judging quality is difficult even after purchase (Darby and Karni, 1973; Dulleck and Kerschbamer, 2006).

All three concepts (search goods, experience goods and credence goods) arise in relation to food. In some cases, consumers may easily judge food quality accurately. In others they may not be able to discern in advance and may, as a result, risk an adverse experience a few hours after eating it (an experience good). In other cases, the problems with food may only become apparent to the consumer many years later

when it turns out that the standards of the food they have been consuming have caused long-term health problems (credence goods).

Although some food manufacturers/suppliers may consider it a market advantage to communicate good information to consumers about the quality of their products (Grossman, 1981; Ippolito, 1999, p. 427) others, who perhaps have something to hide, are less likely to do so and, overall, the market incentive may be too weak, thus increasing the probability of market failure.

“For example, a series of widespread ground meat recalls has the potential to hurt the reputation and sales of the entire meat industry, including downstream industries such as fast food restaurants and upstream suppliers such as ranchers. The benefits to the industry of a traceability system pinpointing the source of the bad meat and minimizing recall (and bad publicity) could therefore be much larger than the benefits to the individual firm.” (Golan et al., 2004, pp. 37–38).

There may also be a role for inspection and traceability in preventing fraud in relation to food standards. In addition, imposing minimum quality standards may be desirable when there is information asymmetry (Leland, 1979, p. 1342).

The Elliott Review (Elliott, 2014) has recently provided an authoritative perspective on food standards. In his Interim Report (Elliott, 2013) he commented that:

“My review to date has identified a worrying lack of knowledge regarding the extent to which we are dealing with criminals infiltrating the food industry. I believe criminal networks have begun to see the potential for huge profits and low risks in this area. The food industry and thus consumers are currently vulnerable. We need a culture within businesses involved in supplying food that focusses on depriving those who seek to deceive consumers. A food supply system which is much more difficult for criminals to operate in is urgently required” (Elliott, 2013, p. 3).

"Estimates of the extent of criminality in food provision vary widely. In the UK, we don't know the scope or extent of the problem. Data collection and well-structured surveys should be considered as a matter of urgency to fill in this knowledge gap" (Elliott, 2013, p. 7).

Then in the final report the conclusion drawn was that

“Food fraud may be costing UK food businesses a substantial amount of money and risks causing significant reputational damage. Importantly, some of the examples uncovered pose food safety risks. However, due to factors such as a lack of intelligence-based detection, the scale of the problem remains unknown” (Elliott, 2014, p. 15).

This same review drew a distinction between food safety and food integrity, recognising that consumers would want to avoid consuming food that would give them food poisoning, but also that most would have difficulty in identifying such food

before consuming it. Moreover, Elliott highlights the implications for the economy of potential problems here.

“The overall national cost of predominantly community acquired IID [Infectious Intestinal Disease] was estimated at £745 million at 1994/95 prices. Of this total, 37% fell to the NHS, 8% to individuals and 56% were employment costs.” (Food Standards Agency, 2000, p. 248).

“Recent estimates from the Food Standards Agency [2008] suggest that the annual cost of foodborne illness (a proportion of all IID) in England and Wales is high at around £1.5 billion.” (Food Standards Agency, 2011, p. 19).

Food labelling is, understandably, a key issue in the context of the regulation of food standards and local authority trading standards departments (in England and Wales – though not in Scotland) are responsible for enforcing the legislation that drives the information provision requirements of food products (inter alia, concerning quantity or size, the price, the ingredients, how, where and when the product was made)

However, as widely reported in the national survey responses, as well as in the case-studies, the current pressures on budgets have increasingly led to food inspection work becoming largely reactive in response to complaints, rather than proactive in sampling and testing products to check compliance with the stated specifications and contents.

Animal Health and Welfare

The regulation of animal health and welfare is an important area of responsibility for local authority trading standards departments. This includes regulation of the quality of animal feed, with potential implications for the food chain to humans; the licensing of animal establishments (such as livestock markets, abattoirs and renderers); the transport and handling of livestock to and from markets; and their tagging, (Scott-Comber and Young, 2012). Such responsibilities were given enhanced significance following the serious outbreak of foot and mouth disease in 2001 which led to the slaughter of four million animals and with terrible implications for many, particularly rural, economies and individual farmers and others in the agricultural sector¹⁰. Losses to agriculture and the food chain were estimated at £3.1 billion, and businesses affected by the fall in tourism in affected areas were estimated to have lost a similar amount as well (Thompson et al., 2002, p. 675; NAO, 2002).

Likewise, the outbreak of BSE in the 1990s similarly represented a significant animal health crisis and one that resulted in a ban on beef exports for more than 10 years (costing some £600 million per year). Some 8.5 million cattle were slaughtered and disposed of over a period of 30 months (costing £3.9 billion) and incalculable damage was done to many rural communities and their social networks, as well as

¹⁰ Welfare losses caused by stress and emotional difficulties for farmers and others have been discussed by (Thompson et al., 2002, p. 684).

to farmers' markets and other agricultural-oriented enterprises (Rogers, 2007, p. 63) citing (Caskie et al., 1999).

Such disasters clearly underline the potential for, and the consequences of, market failure in relation to animal health, and highlight the strong incentive for farmers to make every effort to prevent infection of their stock, although not necessarily taking fully into account the potential losses for other farmers whose herds might also happen to become infected (Umali et al., 1994; Ramsay et al., 1999). Economists refer to issues like the cost of such cross infection of other farmers' stock as "negative externalities" and alongside information asymmetry, it is another classic cause of market failure. On the other hand, animal welfare generates a positive externality for most members of the public while, on the other, carelessness in relation to the quality of feedstuffs and cruelty to animals represent negative externalities. Moreover, there is further scope for market failure in the animal health context because the wider public's views and expectations may not be sufficiently taken into account by farmers¹¹ and because much animal husbandry takes place in the relative privacy of farms, out of sight by the public; with the chances for spotting and reporting malpractices likely to be quite limited.

Product Safety

We turn next to consider the safety of products on sale and the potential for market failure in this arena. Here, particularly when consumers purchase technically complex, multi-part, products such as mobile phone chargers, their purchases are likely to comprise a bundle of attributes – some observable and some not. Thus, with the phone charger example, while it may be easy enough to see if it works (in charging a phone), it is likely to be difficult for the purchaser to know what degree of protection the product offers from the risk of, say, electrocution or catching fire. Generally, manufacturers who skimp on designing and building in product safety will have a competitive advantage over others that invest more resources in ensuring a safe product. Hence safety may be a credence attribute of a good (Darby and Karni, 1973) and there is a danger of market failure, with unsafe, and cheaper, products steadily driving out the safe ones (although the market may itself be able to correct such problems in part through offering warranties or through more informative advertising (Golan et al., 2001)).

Moreover, product safety is not just a design and engineering issue, but also depends upon actions individuals may decide to take and which can increase or reduce safety (Viscusi, 2005, p. 792). As a result, another possible source of market failure arises if consumers are less inclined to take safety precautions, for example, by switching off phone chargers when they are not in use. Whereas less safe phone chargers may be a reasonable buy for the more safety-conscious users, they are

¹¹ Additionally the question of standing arises – should animal's views be taken into account (Mendelson III, 1996). If so there is likely to be a market failure.

more likely to be an unfortunate choice for consumers who have less regard for safety more generally (Choi and Spier, 2014, p. 4; Rothschild and Stiglitz, 1976).

A possible market solution to such problems of product safety is to ensure that there are real prospects of civil suits for damages (tort liability) for manufacturers who do not show sufficient regard for safety in their products. This mechanism differs from regulation, however, in that such law suits for damages are most likely to be pursued after accidents have happened, as a reactive enforcement measure rather than prospectively, as expected in effective regulatory activity (Viscusi, 2005, p. 792). One potential problem with the tort liability mechanism is that a manufacturer will only be liable up to a level of payment that would bankrupt them and may therefore not be sufficiently motivated to address safety issues beyond that limit (Gruenspecht and Lave, 1989, p. 1526).

The UK Regulations for General Product Safety require that: “No producer shall place a product on the market unless the product is a safe product” (Legislation.gov.uk, 2005). Such regulations place the duty of enforcement on local authorities, and the kinds of products that are most often identified by local trading standards officers as non-compliant in this respect are toys, electrical products and fireworks.

If an unsafe (or faulty) product (as with and unsafe food) leads to a fatality, the costs, in cost-benefit terms are substantial. The Health and Safety Executive (HSE) has estimated the average cost to society of a fatality (including allowance for “pain, grief and suffering” by relatives and friends and loss of income) to be around at £1,576,000 at 2011 prices (HSE, 2014). Moreover, a wider survey of estimates published in 2003 found the median “value of a statistical life” to be around \$7m (or around £4.5million) (Viscusi and Aldy, 2003, p. 18). In more recent work the value of a life in statistical terms has been estimated to lie in the range \$4 million to \$10million (Kniesner et al., 2011). Evidently, then, trading standards activities that save lives provide substantial benefits, and earlier this year, for example, a faulty phone charger was identified as the cause of a fire which killed five people in a house in Sheffield (BBC, 2014).

More generally, however, the difficulty is knowing how many further lives might have been lost (and injuries experienced) but for the regulatory activity and enforcing interventions of trading standards officers, or but for the product safety regulations themselves.

Metrology

Weights and measures work has always been a core responsibility for local authority trading standards, and public perceptions of the profession tend to be dominated by images of inspectors checking the accuracy of grocers’ scales, petrol stations’ pumps and other calibrated equipment used in trading goods that are sold by volume or scale. While the typical pattern of work in this regard has developed over time, as

our case-studies illustrate, metrology remains a potentially important area for trading standards operations because of the potential for market failure and consumer detriment through traders delivering inaccurate measures (whether inadvertently or wilfully).

As Swann (2009, p. 77) has argued, there are three market failure reasons for public provision of metrology: first, metrology is a *public good*, second, it is subject to *increasing returns* and, third, the issue of weights and measures often raises problems of *asymmetric information* of the kind discussed above.

Public goods

Economists attach a special meaning to the phrase ‘public goods’ – here not necessarily meaning goods provided by the public sector, but instead, as defined by the twin concepts of non-excludability and non-rivalness (Stiglitz, 2000, p. 80).

Non-excludable goods (or services) are ones that provide benefits that cannot be restricted to the particular purchasers¹² which means that the market cannot collect charges from all beneficiaries to pay for the good (or service). Thus, for example, persons in the UK benefit from the existence of the standard unit of measurement, such as the pint or litre. The benefit of the existence of a trusted unit of measurement, which makes the serving of a short measure less likely, is one that cannot be restricted to those who contribute voluntarily to the cost of provision. Instead, finance would probably need to be enforced through taxation. This contrasts with a private good – say a pair of shoes – which buyers generally cannot obtain without payment.

Non-rival goods, on the other hand, are goods where their supply to an extra person costs nothing. So if the pint is a standard unit of measurement in the UK, it costs no more for this to be the case if more or less people come to the country. In contrast, private goods are rival – if one person has a pair of shoes, another person cannot have that particular pair. It is conventional wisdom in public sector economics that public goods will be undersupplied by the private market thus opening the way to a rationale for public provision (Stiglitz, 2000, p. 80).

We can understand weights and measures as supplying basic generic technology, or “infratechnology” (Tassey, 2004) to the economy and this can be seen as a public good, the private sector providers of which will be under-rewarded for its production (Nelson, 1959, p. 306; Arrow, 1962, p. 618). Government (or local government) provision of metrology therefore represents one way of addressing this market failure.

¹² Non excludability creates an *externality* or spill over from one firm’s development of weights and measures standards and their use by another firm. Some authors therefore describe the problem as one of externality.

Increasing returns

Another possible reason for (local) government provision of metrology is market failure due to *increasing returns* to the activity. Instigating weights and measures expertise within a business represents a fixed cost for the enterprise, and one that can be more profitably exploited the larger the scale of the business. This characteristic can lead to monopoly. However, if government instead provides the function, a competitive market structure of businesses can be maintained (Swann, 2009).

Asymmetric Information

A third reason for market failure in metrology is the problem of asymmetric information discussed earlier. If buyers have no way of knowing whether their measure, as supplied by the seller, is indeed a full measure, there may develop a vicious circle among suppliers as they compete to deliver successively shorter measures (Akerlof, 1970).

From the case-study research for this report it is apparent that the number of inspections conducted by trading standards metrology specialists has generally reduced significantly in recent years driven, in part at least, by the cuts in local authority spending. The difficult question that is then raised is whether more metrology checks were ever really needed in the first place, or whether the reduction in inspections is leading to more widespread incidences of short measure servings?

Doorstep Crime

Another key area of work for trading standards departments is unfair trading, particularly in the form of doorstep crime.

Doorstep crime is usually understood as unscrupulous traders deliberately ‘cold-calling’ at peoples’ homes, most commonly older adults and/or other vulnerable consumers, and offering to carry out property repairs such as roofing, driveway re-surfacing, and gardening work, or to sell products such as mobility aids, security systems and energy saving products (Bullen, 2013).

Often the prices charged for such sales are extortionate, and frequently the scale of repairs/work quoted for either far exceeds what is really necessary, or is not carried out to the proper specification and is substandard as a result. It is also not uncommon for such rogue traders to make false claims about their competence to undertake the work or about any accompanying guarantees, for instance, by claiming membership of the relevant professional trade association.

Intimidating and/or aggressive behaviour is also often associated with such rogue traders if the initial efforts to befriend or groom the householder fail to result in an agreement to purchase. Repeat victimisation is also very common when the rogue

traders have succeeded in relation to one contract (Andrews, 2014, p. 15). Doorstep crime is also sometimes linked with “distraction burglary” where unwanted callers gain access to a property using some false pretext (Gorden and Buchanan, 2013). Moreover, much of its incidence is likely to go underreported since victims may either be unaware that criminal behaviour has taken place or are too embarrassed to report their problems to the authorities (Gorden and Buchanan, 2013). From one survey of incidence (Thornton et al., 2005), it was estimated that, annually, there were probably in excess of 400,000 attempted distraction burglaries in the UK, of which around one third would have been ‘successful’ (from the culprits’ viewpoint).

So far as doorstep crime and the concept of market failure is concerned, a key issue is that, rather than fair and informed agreements being reached voluntarily between a willing buyer and a willing seller, transactions may be premised on misleading or fraudulent information which can represent market failure. This will be especially so if consumers would have declined to pay the asking price had they been given true information. Whose task is it to discover the true information about products or services being traded? The principle of *caveat emptor* is widely deployed as a market principle on the basis that buyers have stronger incentive to obtain the information than sellers have to provide it. Even then, however, there is often likely to be information asymmetry whereby sellers know better than purchasers what is on offer and what is the true cost and value of the goods/services involved (Matthews, 1991, p. 739). Trading standards regulatory actions can ease this problem of information asymmetry but, again, the important question is whether the benefit of efforts to regulate doorstep crime exceed the costs of so doing in comparison with other options such as reliance on *caveat emptor*.

A second form of market failure could be understood to occur when theft is involved, for example, when householders end up paying for services they would not otherwise have bought. Here there is very obvious market failure as the trade is not between a willing buyer and a willing seller, but between an unwilling or coerced buyer and a pressing seller. Theft can be seen to be a form of externality, as defined by Pigou as occurring when:

“payment cannot be extracted from the benefitted parties or compensation enforced on behalf of injured parties” (Pigou, 1932).

Clearly doorstep crime can lead to the thief benefitting without the householder being compensated. Externalities are a major form of market failure, and theft imposes a negative externality on the householder/victim and the market fails to control their behaviour; all in some contrast to the situation of a second-hand dealer who pays cash to the householder for the goods exchanging hands.

A third aspect of doorstep crime is that the value judgement about consumer sovereignty may be particularly questionable in instances where householders lack the mental capacity to make an informed and sensible decision in response to the trader’s offer. The first two elements typically occur when householders are coerced or deceived into exchanges that they would probably not make had they been better

(or more honestly) informed, or if there had been no pressure or intimidation involved. This third element is different again in that the householder could not reasonably be expected to exercise consumer sovereignty.

Older people, particularly those lacking full mental capacity, often become victims of doorstep criminals who will typically target the houses that show signs of owner vulnerability, for instance, with an overgrown front garden or poorly maintained paintwork/window frames (Hope et al., 2009, p. 733). Elderly people can also often be the subject of financial abuse - estimates of prevalence ranging as high as 14.4 per cent (Davies et al., 2013, p. 313). Elder-abuse has also often been associated with premature mortality (Lachs et al., 1998) cited in (Cooper et al., 2008). One study into the experiences of older burglary victims, for example, found that victims were 2.4 times more likely than those who had not been targeted in this way to be moved into more dependent/assisted living arrangements or to suffer acute illness and die (Donaldson, 2003).

Age-Restricted Sales

Trading standards officers have responsibilities in relation to legislation proscribing sales of a wide range of products to persons below certain ages, including alcohol¹³, tobacco, fireworks, and knives (RAND Europe, 2013). These are examples of goods where the usual consumer sovereignty approach of economics is suspended because it is assumed that persons below certain ages should be prevented from making purchases that might be potentially harmful to themselves or to others. While the prime role for controlling younger-persons' choices would normally rest with parents, this has been supplemented by legislation as a back-stop to control younger-persons' access to such risky products. In this respect, for example, a young person's refrainment from alcohol through enforcement of the law on age-restriction can be understood as an investment made at a young age to yield potentially longer life payoffs.

Similarly, the law and its enforcement reflects the understanding that under-age drinking can be a cause of long term health problems, and that is also very often a factor in violence which, in turn, both generates additional hospital admissions. Binge drinking, particularly by young girls, is a growing problem in the UK, with a cost to the health service having been estimated at £19 million per year, and with strong medical evidence to suggest that those who begin drinking before the age of 15 are the most likely to progress to alcohol abuse and dependence (Healey et al., 2014, p. 126). Meanwhile, research in the USA has indicated that school-based alcohol education programmes can have a benefit-to-cost ratio of \$18 per dollar spent (Miller and Hendrie, 2009, p. 1).

¹³ In England and Wales, Trading Standards officers, are responsible for enforcing the sale of alcohol to minors, but in Scotland this responsibility is exercised by the police.

Under-age smoking is similarly agreed to lead to long-term health problems and the consumption of cigarettes during childhood tending to be associated with heavy daily smoking during adolescence (Jackson and Dickinson, 2004). Moreover, evidence suggests that the earlier a smoking habit is taken up the more harmful the consequences in terms of premature death from lung cancer, heart disease and chronic obstructive lung disease (Ash, 2014). Initiatives to promote refrainment from smoking among the young, then, which include the legislation on age-restricted sales enforced by trading standards, can be seen as an investment that reduces the risk of serious disease and premature death (the average value of a life having been assessed at £1.722million (at 2008 prices) (DoH, 2010, p. 22).

E-Crime

E-commerce – the use of the internet as a market place for trading has been growing rapidly year on year. According to figures from the Office for National Statistics, whereas in January 2010 the average weekly value of internet-based retail sales in the UK (non-seasonally adjusted) amounted to circa £400 million or 8% of all retail spending, by January 2013, that figure had leapt to some £546.5 million or more than 10% of retail sales. And further rapid growth is surely to be expected, particularly with the advent of ‘M-Commerce’ (trading through mobile phone and tablet technologies) and ‘S-Commerce’ (trading via social media networks such as Facebook, Twitter and Myspace). Indeed, for Europe as a whole, the value of retail goods being traded on-line has still more recently been estimated at some 15.5% of the total retail trade¹⁴.

But E-Crime – “the use of networked computers or internet technology to commit or facilitate the commission of crime” (ACPO, 2009, p. 2) has been growing equally rapidly and has become a matter of great concern; indeed it was the subject of a recent Select Committee Report (Home Affairs Committee, 2013).

The internet, and particularly Facebook accounts and other such social media, have also become very significant outlets for the sale of fake/counterfeit and other illegal goods, together with scams of one form or another, which now generate large numbers of consumer complaints and burgeoning work for trading standards departments. The cost of all this nationally to legitimate businesses has been estimated in the UK to amount to between £115 and £459 million a year (Thompson, 2014, p. 28).

One consequence of the relative novelty and rapid growth of internet trading is that the legal requirements designed to protect consumers who shop on-line (and which have themselves been developed only fairly recently) are not as widely known, either by sellers or buyers, as the equivalent regulations for more traditional forms of retail. In this respect, the Consumer Contracts (Information, Cancellation and Additional

¹⁴ Source <https://www.ecommerce-europe.eu/facts-figures/>

Charges) Regulations 2013 have been devised specifically to reflect: a) the lack of opportunity for on-line shoppers to touch/examine first-hand the goods they are considering for purchase; b) the necessity of having to make payment before receipt of the goods; and c) the dependence of the purchaser on the veracity of information presented on the website, the authenticity of the offer and the trustworthiness of the vendor.

That said, the role of trading standards is essentially the same for internet selling as for the high street – to ensure that consumers are protected from unscrupulous trading practices and that sellers are cognisant of, and complying with, the legal obligations upon them. The challenges in exercising such a role in an on-line context, however, are always likely to be more profound, not least because of the potential difficulties in locating and contacting internet traders. Particularly those who are intent on deception, trading fraudulent goods, or who wilfully seek to exploit the customer in some way, are most likely to be operating covertly, for example, with time-limited websites, or through pop-up adverts that may well have disappeared before any complaints are formally brought to the attention of the authorities. There may also be jurisdictional complications since many such websites emanate from well beyond the boundaries of local trading standards departments or police areas, even though the detrimental effects may be felt locally.

Chapter 4: Applying the Logic Model to the Case Studies

In light of the above overviews of the eight specialist areas of work in trading standards, we turn now to the key findings from the set of case-studies involved in this research. As outlined in the Introduction, the first four were categorised as ‘overview case-studies’ (i.e. each covering the work of a trading standards department as a whole) while, the remaining eight were planned as ‘specialist case-studies’ (focusing, respectively, on the set of aspects discussed above - Business Advice, Food Standards, Animal Health and Welfare, Product Safety, Metrology, Doorstep Crime, Age-Restricted Sales, and E-Crime). In the subsequent sections of this chapter we describe, first in narrative form and then in tabular form (based on the Logic Model) the findings from each of the twelve case-studies, commencing with the four overview case-studies.

Overview Case-Study No. 1

The trading standards department in this case-study belongs to a relatively small unitary local authority serving a population of less than 100,000 and comprising an in-house team of 7.6 FTE staff – mostly long-serving, and without exception, all highly loyal and committed to the priorities and day-to-day work of trading standards. The department covers the key functions of metrology, food standards, product safety, intellectual property issues and other fair trading matters (including through e-commerce), together with community safety and protection work such as door-step crime and age-restricted sales. However, for animal health and welfare work the department procures the assistance of a part-time specialist from a neighbouring local authority (estimated to amount to about an additional staffing input of 0.05 FTE).

As with all trading standards departments, much change has been experienced in the past decade, particularly in shifting from being an essentially proactive and inspection-driven organisation to one that is now largely intelligence-led and responsive to consumer complaints. While this change was generally felt to have been un-problematical for the scams and rogue-trading-type of work, for ‘products’ – particularly food – there was felt now to be much greater potential for sub-standard quality products to reach the markets and be sold. In particular, without regular inspections, it was argued, the available intelligence on poor or unsafe food products was very limited – as many food processing companies, and most consumers, would be making their purchases on trust, with no realistic means to check provenance.

Again like all trading standards departments, the bulk of the case-study department’s workload was now arising from consumer complaints reported to the Citizens’ Advice Consumer Service (CACS). But it was said that problems were often encountered

with the quality of the advice provided by CACS, both to consumers, and as conveyed to the department as 'notifications' and 'referrals'.

Much of the work of the department these days aligns closely with the wider local authority concern with public safety and protection (i.e. including environmental health, licensing and public health). For example, since 2009, the department has been active in designating and supporting Cold Calling Control Zones (CCCZs) – these being popular with elected members and with the public at large. There are now 53 CCCZs in the local authority area – and covering the residences of a quarter of the population. The department also maintains close collaborative relations with the local police force regarding doorstep crime (particularly to protect vulnerable residents) and counterfeit goods (tobacco, clothing, tools and phones especially).

It was said that the department now lacked the resources to undertake much product-testing itself. Indeed, it no longer maintains a laboratory, equipment or specialist expertise to do so. But intelligence reports are usually followed up promptly and tests would be arranged (using contractors) as necessary. The food sampling budget has been halved in recent years but again, there remains commitment to follow up on any reports that are considered to be of concern. The department has also been proactive in seeking out alternative funding for food safety work, for example, from the Foods Standards Agency and from the EU for special projects on nutrition standards of meals served in social care homes.

The department has traditionally engaged well with elected members, although these days there is no single committee specifically oriented towards trading standards, and the lead portfolio-holder (within the cabinet) has a remit that encompasses a wider set of public protection issues – with trading standards just one part. Partly for this reason, the profile of the department within the local authority was acknowledged as probably not being as high as in the past. An annual report on trading standards is no longer produced (although a report on metrology is prepared each year) so elected members (and the wider public via local media) are also probably less well informed about the department's work than in the past.

The status of the department within a broader organisational grouping of the council's public protection functions (and its office layout and location) has probably also not helped to sustain the profile of trading standards both within and outside the local authority. In this respect, more than one member of staff commented on the disadvantage of having the trading standards function professionally headed at 'third tier' level, with the implication of less first-hand understanding and appreciation at the higher tiers where council priorities and budgets are generally devised, shaped and negotiated.

Working space for staff in this trading standards department (in close conjunction with other public and community protection functions) is also quite restricted and hardly supportive of concentrated and undisturbed work. As a result, staff often work from home when they are not 'out and about' on visits, investigations and other projects.

While each member of the team of staff has their own particular area of specialism, there is in practice a strong measure of shared working in this relatively small team, with colleagues now helping each other out to a greater extent than in the past, as and when necessary. Significantly, almost all staff in this case-study perceived the department to be struggling to provide as effective a service as they would have liked. Most considered that a pooling of resources with the trading standards departments of neighbouring authorities (e.g. within the same police force area) would help in this respect by facilitating greater efficiency, effectiveness and impact on levels of compliance with expected standards.

Intellectual Property and Counterfeit Goods

Whereas in the past the main locus for trading counterfeit goods was the local weekly markets, these days it is much more internet-based, and with Facebook (as well as EBay) increasingly prominent. Often the websites and webpages are short-lived and have disappeared before officers have secured the necessary powers to undertake surveillance. As a result, one officer described the work as 'somewhat hit and miss' (although the department does have a free-standing computer for covert investigative work and a special credit card for 'mystery purchases'). Almost inevitably, the main emphasis tends to be on trying to disrupt and terminate the (usually smaller) instances of illegal trading that are the subject of complaints or intelligence reports, rather than seeking to identify and prosecute the serious criminals at the source of the larger frauds. In a typical year, it was said, there were perhaps just two or three cases going to prosecution (these usually being for larger, more serious, cases). It was emphasised that most website hosts are co-operative in relation to sites of concern, and will usually take the offending ones down if requested. But dealing with problem-trading on Facebook is generally much more difficult because it is necessary to act covertly and to befriend the traders who are perhaps selling just small consignments from much larger fraudulent operations.

Public education is also still prioritised to some extent, especially in relation to such fraudulent trading, and the department usually issues press releases and prepares fuller news features for the local media following its successes, as part of its public awareness-raising responsibility.

Door-Step Crime, Scams and Rogue Traders

As with the above criminal work, the work to protect the public from exploitative selling was summarised to us as being these days almost all reactive and intelligence-led, rather than inspection-based. Doorstep crime has been a local priority for the parent local authority for some years and remains of great concern among current elected members – a fact reflected in the considerable number of 'Cold Calling Control Zones' (CCCZs) – as indicated, 53 at the time of the visit - that have been designated in the past seven years and covering more than nine and half thousand homes in the area. The first one, established in 2008, was formally

evaluated after a year and was found to have been popular with all residents, not just those considered most vulnerable and at risk. However, the evaluation also showed that the designation of CCCZs had by no means eradicated the problem of doorstep selling – though it had made residents feel safer and more confident in declining to enter into conversations with unwanted traders. Suggestions for improvement from the evaluation particularly highlighted more and larger/more prominent signage and better advertising of the scheme. Following the pilot, there were calls for more zones to be established in other areas of the borough – some covering just a few houses, others much more extensive in area; indeed, one covering an entire ward. One key to success, it has been learned, is about ‘making contact’ with individual vulnerable people within the zone and checking that they have understood what is involved, have displayed the window stickers and know how to react if the doorbell rings. Merely relying on distribution of leaflets and window stickers delivered through letter boxes was found often to be ineffective because the materials had frequently been overlooked, not carefully enough read, and with posters/stickers not always displayed. Preparedness on the part of the trading standards officers to come out quickly in response to a call following an attempted doorstep sale was also found to be important in catching up with non-compliant traders and in addressing any miss-selling practices or detriment caused.

More generally, however, rogue trading and scams were said to remain quite prevalent in the local authority area – indeed, if anything, incidence was felt to be growing, according to some staff. This, it was suggested, was at least in part because so little inspection work was being undertaken these days. While the department knew a lot about the activities leading to the complaints being made, it could only guess at the extent of problems about which the consumer was apparently unaware. For example, intelligence-gathering in conjunction with the Post Office, HMRC, and the National Trading Standards Scams Team had recently identified a list of some 180 named potential victims at risk in this particular local authority area.

There is currently no ‘trusted trader’ scheme operative in the area. In the past, there had been such an accredited scheme, specifically for vehicle traders (covering this and neighbouring authorities), but this, too, had been a victim of the cuts in resources.

Consumer Complaints

Much of the department’s work in relation to motor traders tends to be ‘consumer rights-related’ and mostly leads to trading standards officers explaining to traders the requirements and expectations concerning publicity and promotional materials. On the whole, it was felt, there exists general respect among businesses for the advice and guidance provided by the department, and compliance usually follows. As indicated, prosecutions are rare, although sometimes it is considered necessary to issue official cautions and warning notices.

Also as indicated, most complaints are received through the Citizens Advice Consumer Service (CACS) either as 'notifications' (for information only, since advice would already have been provided by a CACS adviser) or as 'referrals' (because the matters would need to be considered and action possibly taken by the department). However, according to staff at this case-study, the quality of advice given by CACS to consumers, and the appropriateness of notifications and referrals, is often not as reliable as it should be – indeed, staff feel the need to devote much time to scrutinising not just the referrals but also the notifications as well, because often some appear to have wrongly designated as such (and should have been classed as referrals) or because the advice reported to have been given by the CACS staff (as recorded on the notification) has seemed inaccurate, misleading or insufficient.

In this respect, it was suggested that the training provided to frontline staff at CACS was inadequate (this, we were told, normally comprising just a few days' worth), with the advisers being heavily reliant on the pre-scripted responses on their computer screens. Moreover, a further explanation that was proffered for the frequency of problems with the CACS advice was that, because they were working with headphones in a call-centre environment, the advisers were being denied the opportunities for extending their knowledge of consumer law and good practice, by not being able to over-hear, still less participate in, conversations and other casual information exchanges between colleague staff in the way that officers in trading standards departments are typically able to enhance their knowledge and develop their professional expertise.

At this particular case-study at least, a steady increase had been noted in the number of dissatisfied consumers bringing their complaints directly to the department, and with many doing so, it was reported, because they had been frustrated by their experience with CACS in trying to pursue what they had regarded as reasonable rights as consumers.

Age-Restricted Sales

Although the seasonality associating with some age-restricted sales, for example, fireworks in the Autumn, ensured some peaks in workload, it was suggested that patterns of age-restricted selling more generally had changed markedly – with it now being the norm among young people to carry ID and for complaints about under-age sales to have become quite exceptional. In the case-study area at least, test purchases for under-age selling have taken a back-seat and the emphasis is now much more on proactive work with local businesses, for example, by offering training for staff in retail outlets (bars and shops particularly). By working with the retail outlets in this way, it was also pointed out, much valuable intelligence can be gathered about other traders and about other issues now going on locally – whether in relation to alcohol, knives, fireworks, solvents, lottery tickets or whatever - even liqueur chocolates as well! Here again the local authority's 'comms team' was said to be helpful, as allies, in spreading the word and raising public awareness of the

issues of under-age sales and the like. Moreover, while shrunken resourcing levels no longer afford time for routine visits to schools to run educational sessions for sixth formers, as in the past, the department is still supporting the national competition 'Young Consumers of the Year' and regard this as a very positive profile-raising opportunity for trading standards, particularly in relation to young people and local authority members.

Product Safety

Product safety work at this case-study was described as these days being "99 per cent reactive to complaints referred by the Citizens Advice Consumer Service". A significant amount of the work here is now also coming in the form of 'home-authority' referrals – there being three quite large manufacturing businesses and several importers in the local area, one of which handles a wide range of novelty products. Regular contact with such businesses was again described as potentially valuable in generating intelligence on competitors' trading activities including, on occasions, allegations of breaches of regulations – which could then be quickly followed up. In the past year there have also been significant issues for the department concerning the safety of the transformers supplied for a particular brand of e-cigarettes and complaints about holiday mis-selling.

Food Standards

The department has also been particularly active in recent years in relation to nutrition standards in social care, having received funding from various external sources, including the Food Standards Agency and government, and with a major application for EU funding support having recently been submitted. The work here is being led by one senior member of the team whose time is almost wholly accounted for by project work in relation to food. The importance of the sampling regime was emphasised as being concerned to identify potentially major problems such as the horsemeat scandal, and it was also pointed out that inspections almost always unearth problems of one form or another. Indeed, it was argued that standards had tended to deteriorate largely because the department had not been so much in evidence or as active in inspection work as in the past. In this respect, it was stated that, although the FSA paid for its own sampling requirements, the department itself now had a budget of only £7,000 per year for inspections across the entire council area. In illustrating and substantiating the concerns about food standards, the officer referred to the findings of a recent survey of 30 fast food kebab houses in the area, from which it was found that only 2 were serving genuine lamb kebabs, as advertised; all the others being having within their composition turkey and chicken as well.

The nutrition project started out as a project for the contracted and regulated care-homes of the local authority and with the aim of providing a rating for the nutritional value of meals being served in the homes (as 'adequate', 'wholesome' or 'nutritious'). From a scrutiny of the contracts with providers, it had been noted that none made

any mention of nutritional standards and, on sampling the meals served, it was found that the average calorific intake of those being cared for varied widely from 800 to 3,500 calories per day. As part of the project, a series of training programmes had been organised for chefs and catering staff in the social care homes and new contracts had been drafted that now specified the nutritional standards to be expected. The project as a whole had also been systematically evaluated and the outcomes were adjudged not only to have been beneficial for the residents being cared-for, but also for relatives in providing reassurance and confidence about the quality of care being provided, for the reputations of the care homes and their staff and, indeed, particularly interestingly, for the care home budgets also - because the new standards had enabled some economies in food costs to be made. Importantly too, there were also thought to have been savings on GP time and hospital admissions as a result of reduced cases of suspected malnutrition.

More broadly, other issues concerning food standards that are being addressed in this department include the problems for some ethnic minority traders (with English language difficulties) in understanding the regulations, problems of unsubstantiated health claims in the food supplements market, and preparations for the new food labelling regulations (instituted in December 2014) and for which there were fears about initial compliance problems among many local businesses because the prior publicity was felt to have been insufficient.

One other concern that was highlighted in this context was the lack of funding (whether with the authority or nationally) to support significant food standards prosecutions, despite these being felt to be in the public interest – a point that was also said to apply to product safety. That said, in 2013, and with financial support from the Food Standards Agency, the department did take a case all the way to Supreme Court for a judgement on a case concerning “out of date” matter; which was regarded as having significant implications nationwide. The successful outcome here followed four years of investigation, various court hearings along the way and costs of around £150,000.

Metrology

Some years ago there were five qualified staff engaged in, or overseeing, weights and measures work in the department; but at the time of the visit there was just one. Since 2012 the department has not had its own metrology laboratory but instead has access to one in a neighbouring authority. Nevertheless, the evidence gathered in the case-study hardly suggested any reduction in the level of potential metrological workload to match the cuts in resources. On the contrary, it was emphasised that each time the department had undertaken survey work on a weights and measures theme, significant instances of non-compliance had been identified – including many of the ‘invisible’ kind that might otherwise have gone unrecognised for long periods of time, so potentially accumulating sizable amounts of detriment.

Besides the equipment in many of the retail premises, the petrol filling stations and pubs etc. the case-study also highlighted the considerable amount of metrological inspection work needed (and being undertaken) in relation to medical weighing equipment, in GP surgeries, clinics and hospitals, the accuracy of which would often be critical to ensuring appropriate dosages of medication and drugs being prescribed to patients.

While much traditional metrological work for the department had been lost as a result of the introduction of self-verification, it was emphasised that there remained a considerable amount of equipment within the local area that, for reasons of public protection, was regarded by staff to merit inspection from time to time. Indeed, the metrology officer still sought to visit each of the garages in the area each and every year, and also to visit all the public houses within a two year period. The officer also emphasised from his experience the importance of maintaining an element of unpredictability in the patterns of visits – so that traders might expect a visit at any time rather than regularly at annual or bi-annual intervals. Again the argument was put that compliance problems would be likely to grow if traders thought that they would not be seeing the trading standards officer for many months at a time.

Animal Health and Welfare

As indicated earlier, in this case-study area the regulation of animal health and welfare is being undertaken through a contract with a neighbouring authority (and is largely undertaken by one member of staff on a limited-time basis because of the relatively small number of farms and farming-related premises in the area). It was learned that there are just 200 or so such premises in total, compared with around 1,200 in the neighbouring authority that provides the service. There are also no 'critical control points' in the area (i.e. livestock markets or abattoirs) so the sharing arrangement with the neighbouring authority is generally regarded to be the logical way to undertake the work. Here again, however, it was learned that a previously-maintained pattern of regular farm visits and inspections had given way in more recent years to a much more selective, risk-based and complaint/referral-driven, approach to visiting.

Not all the animal health work, however, arose from farming, animal haulage and markets, with a number of 'livestock dealers' now also generating significant numbers of animal movements, and whose activities also were felt worthy of closer monitoring and regulation. Furthermore, a large proportion of the farms in this particular area are quite small and not all particularly well maintained. Often, it had been observed, the farmers are insufficiently experienced in the business or knowledgeable of the regulatory requirements, and again, in such circumstances, it was felt that a more regular visible presence by regulators was important in preventing problems before they escalated unduly. Attendance at livestock markets was also said to be valuable for 'hear-say' information, for gathering intelligence and for maintaining contact with farmers, dealers and hauliers who otherwise might well

not be seen from one year to the next. While, on the whole, the incidence of animal health problems in the area was felt to be fairly stable, it was recognised that, with the current low level of farm inspections, it was always likely that many compliance problems would be being missed, at least until they became serious enough to warrant reporting.

Table 4: Logic Model Data for Case-Study No. 1

<u>Inputs</u>	Staff: 7.6 FTEs (to be reduced by one FTE from 24 th December 2014)
<u>Activities</u>	<p>Key measures of workload undertaken in 2013-14:</p> <p>Intellectual Property and Counterfeit Goods: Nos. cases reported: 5</p> <p>Doorstep Crime and Rogue Traders: Nos. incidents reported: 12</p> <p>Consumer complaints: Nos. notifications made by CACs: 1365 Nos. referrals made by CACs: 492</p> <p>Age-Restricted Sales: Nos. test purchases made: 5</p> <p>Product Safety: Nos. cases reported: 0</p> <p>Food Standards: Nos. inspections carried out: 455</p> <p>Metrology: Nos. businesses inspected for metrology tests: 136</p> <p>Animal Health and Welfare: Nos. animal health complaints reported: 87 Nos. visits undertaken (on behalf of the department): 59</p>
<u>Outputs</u>	<p>Nos. consumer complaints handled by the Department – 3237</p> <p>Nos. consumer complaint cases followed up: 492</p> <p>Number of food-related complaints handled: 316</p> <p>Nos. Intellectual Property/counterfeit goods cases completed: 4</p> <p>Nos. doorstep crime/rogue traders cases followed up: 12</p> <p>Proportion of age-restricted test purchases found non-compliant: 3</p> <p>Nos. investigations or product safety undertaken: 28</p> <p>Nos. cases of food standards non-compliance identified: 41</p> <p>Nos. businesses with metrology tests found with non-compliance: 23</p> <p>Nos. instances of animal health & welfare non-compliance identified: 5</p>
<u>Outcomes</u>	<p><u>Community Safety: Public Protection through Cold Calling Control Zones.</u></p> <p>Reduced frequency of instances of cold calling: 55% of residents reporting in a ‘follow-up’ evaluation survey having not received a cold caller since the introduction of CCCZs (though 45% had). In the same survey, 95% of respondents also thought that the number of sales people in the area had reduced since its introduction.</p> <p>Resident satisfaction with the control zones initiative: 96% of residents in designated CCCZs reported in the same follow-up evaluation survey that they felt the initiative to have been worthwhile.</p> <p><u>Metrology: Consumer and business protection through testing of weighing/measuring equipment.</u></p> <p>More weighing equipment measuring accurately: On inspections in 2011-12, 12% of weighbridges tested were found to be reading inaccurately and rectified. 29% of weighing equipment used in high street ‘cash-for-gold’ transactions, when tested, were found unsuitable for commercial use and rectified. 8% of weighing scales used in GP surgeries were also found</p>

inaccurate in tests and needed rectification. 7% of those in use in hospitals were also found to be reading inaccurately and were rectified, as were 11% of those used by health visitors (in Flying Start Health Teams). Also 11% of the Post Office scales tested in 2011-12 were found to be weighing inaccurately and needed rectification. 50% of 'cash-for-clothes' businesses inspected in 2011-12 and also 50% of weighing equipment in charity clothes shops that were inspected having similarly being found as inaccurate were subject to rectification.

More licensed premises with accurate spirit measuring equipment: 11 out of 703 licensed premises were identified in 2011-12 as having inaccurate spirit measuring instruments, and the problems addressed. Also 7 out of 307 such premises which were found to have illegal thimble measures had these removed from use.

More traders operating with accurate length-measuring equipment: 51% of the tests undertaken in 2011-12, having identified unsuitability or fraudulence, were replaced or repaired.

Saving money for consumers and businesses: Data not available on the overpayments made or costs incurred because of businesses operating with inaccurate weighing and measuring equipment, but likely to be substantial.

Consumer detriment: Achieving financial redress in relation to products subject to complaint.

Redress achieved on behalf of consumers for goods subject to complaint: A total monetary value of £71,685 recouped in 2011-12; representing 1.4% of the value of the goods subject to referred complaints.

Redress achieved on behalf of consumers in relation to referred complaints about food standards: A total monetary value of £55,143 recouped in 2011-12; representing 5.1% of the value of the food subject to referred complaints.

Labelling/advertising: compliance achieved with these and other trading requirements.

More compliance in relation to retailers' display of warning notices in relation to tobacco and alcohol: 15% of licensed premises visited in 2011-12 were made compliant by displaying valid tobacco warning notices. 15% of licensed premises visited in 2011-12 made compliant by displaying quantity notices for spirit drinks and 23% made compliant by displaying quantity notices for wine.

More compliance in relation to descriptions of food products: 13% of licensed premises required in 2011-12 to amend mis-descriptions of food of 'local' origin; 3% to amend mis-descriptions of 'homemade'; 16% to amend mis-descriptions of scampi on their menus; and 13% to declare their use of genetically modified oil on the premises.

Greater fairness in relation to Payment Protection Insurance selling: Working in conjunction with the Ministry of Justice and the 'Regional Scambusters' team, £8 million of up-front-fees ordered to be returned to consumers from mis-sold PPI (up-front fees not being permissible)

<p><u>Impact</u></p>	<p><u>Community Safety: public protection through Cold Calling Control Zones.</u> As well as the above outcomes, CCCZs were felt to be having the following impact: (although no specific data was available)</p> <p>Promoting a stronger sense of public safety: Residents reported “feeling much safer in my own home” and “more confident in declining to enter into conversation with callers and instead referring them to the sticker on the door”.</p> <p>Promoting stronger neighbourliness: An additional benefit of the scheme was said to arise from the principle under which the zones were first established, and in which the concept of “good neighbourliness” was actively promoted (i.e. with residents in each community encouraged to keep an eye on the elderly and other vulnerable people living close by who might be targeted by rogue traders.</p>
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Overview Case-Study No. 2

This case-study was based on an extensive and largely rural county; one covering some 6,426 square kilometres and yet with a total population of hardly more than 150,000, who are mostly resident in four market towns of small/medium size. The rural character of the area is underlined by the fact that there are some 3,000 farms and 4 livestock markets in the area. Animal health and welfare inevitably, therefore, forms a particularly significant part of the activity portfolio of the trading standards department that also exercises regulatory responsibility for metrology, product safety, intellectual property/counterfeiting issues, door-step crime and age-restricted sales, as well as providing advice and support to local businesses.

The trading standards team here comprises 10.9 FTE staff team – 8.9 professionally qualified staff plus 2 enforcement assistants - and with supporting administration shared with the council’s environmental health team, which is located close by, and within the same directorate. The trading standards team splits functionally into three groupings: a) advisers, b) enforcement staff; and c) animal health and welfare officers, and there is also a locational split between two office bases, some 72 miles apart, because of the extensive territorial area to be covered (although there is frequent contact and visiting between the two sites and a strong sense of a single cohesive overall team).

The size of the team has been much reduced from the staffing levels of some five years ago and now operates with a very flat organisational structure; most staff reporting directly to the head of service. A particular resourcing issue highlighted by staff as particularly hindering more efficient operation was the limited number of users that could simultaneously interrogate the computer database and, more generally, the IT systems and IT support provided by the Council was perceived by all staff as poor. Frustrations were also expressed at the Council’s website and especially at the difficulties it presented for outside users in finding information about trading standards, and at the fact that much of the information available on-line was

out of date anyway (the service subscribing to TS Broadcast for Business Advice but facing problems in integrating this with the Council's own software for the website which created problems in providing updates and better functionality). As a result, it was pointed out, many routine queries from businesses and from the public are received by telephone, resulting in much valuable time being taken up on routine queries that might otherwise have easily been resolved had more of the relevant and up-to-date information been accessible on line.

In 2013-14, the department's work was subject to a thorough service review as part of a council-wide scrutiny of budget requirements, performance and efficiency. This had focused particularly on the statutory aspects of consumer protection, and animal health & welfare legislation. But in preparation for this review, a wider piece of work has been undertaken to highlight the relationship between the various work strands and priorities of trading standards and the six strategic priorities of the Council as a whole – as follows:

Table 5: How Trading Standards contributes to council priorities.

Council Priority	How the trading standards department contributes
Providing a good start in life for all our children	<p>Toy safety enforcement and advice to importers, manufacturers and retailers</p> <p>Safety of other items such as prams, clothing, other equipment and cosmetic products etc.</p> <p>Monitoring and calibration of weighing scales (including medical equipment)</p>
Preparing our young people for adulthood and employment	<p>Consumer education in schools</p> <p>Supporting the police on 'legal highs'</p> <p>Web-based consumer advice</p> <p>Supporting national consumer week</p> <p>Volunteer young people for age-restricted sales test purchasing-</p>
Caring for our older and vulnerable people	<p>No Cold Calling Zones</p> <p>Partnership with neighbourhood watch</p> <p>Monitoring of safety of mobility aids and reading glasses</p> <p>Talks and leaflets to elderly forums</p> <p>Web-based consumer advice</p> <p>Rapid response to complaints re bogus callers</p>

	Home visits to complainers who are house-bound
Supporting and stimulating our local economy	<p>Efficient, competitive and judiciously policed markets and supporting business to help generate growth</p> <p>Advice on legal compliance for new and existing businesses</p> <p>Assist the OFT in fit person checks for credit licence applications and renewals</p> <p>Act as Home Authority for national traders in the area</p> <p>Liaise with relevant agencies to ensure fair advertising in holiday/tourism sector</p> <p>Ensure a fair and competitive business environment, removing unsafe and counterfeit goods and discouraging rogue itinerant traders</p> <p>Provision of business advice through webpages</p> <p>Working with Economic Development to reach business start-ups and give early advice</p> <p>Provision of consumer advice so that consumers can be more confident</p> <p>Making use of intelligence received through consumer and business advice to ensure that problem traders are targeted</p> <p>Monitoring and enforcement of unfair practices in consumer credit transactions</p>
Maintaining the safety and security of our region	<p>Advice, monitoring and enforcement of consumer protection legislation to ensure consumers experience a safe and fair trading environment</p> <p>Ensure that all our farmed animals are traceable so that disease outbreaks can be dealt with effectively</p> <p>Control of notifiable animal diseases</p> <p>Ensure that carcasses of farmed animals are disposed of without undue delay</p> <p>Regulation and licensing of pet shops, dog breeders, riding schools, and boarding kennels to ensure that consumers can do so safely</p>

	<p>Monitoring and regulation of disused petrol tanks to ensure they are safe before being decommissioned</p> <p>Ensure that consumers have safe access to poisons, pesticides and explosive substances</p> <p>Contributing to the Council's anti-social behaviour strategy by enforcing age-restricted sales of fireworks, butane gas, spray paints, tobacco, video games and films.</p>
Protecting and sustaining our environment	<p>Enforcement of excess packaging legislation</p> <p>Enforcement of energy performance declaration requirements</p> <p>Enforcement of consumer protection legislation for Green Deal agreements</p> <p>Monitoring of disused petrol tanks for leakage</p>

Information and Advisory Services

As in the other case-studies, much of the workload of the department these days is generated in the form of complaints or requests from the public and businesses for advice – whether received by phone, email or by personal visits. Most of the public complaints or requests from consumers for advice come via the Citizens Advice Consumer Service (CACS) as notifications or referrals (to which responses are expected within five days), while queries from businesses come directly to the department (and are normally dealt within two days). In addition, much further intelligence comes via the national intelligence database, 'Memex', which is shared by all trading standards departments, and through intelligence-sharing and dissemination with the Police, HMRC and other agencies. One member of the team now devotes the equivalent of one day a week sifting such intelligence, notifications and referrals, responding as necessary or, passing the queries/cases to one or other of the trading standards officers. This input provision had been expanded recently in recognition of the increasing importance and availability of intelligence in driving the departmental workloads.

The department also works proactively in relation to consumer education and awareness-raising in relation to scams and doorstep crime, for example, by running occasional promotional sessions at local supermarkets (e.g. on postal and email scams), and by organising 'web-chats' with the police (e.g. on the subject of doorstep crime).

At the time of the visit, the department was also gearing up for the launch of a 'Trusted Trader' ('buy with confidence') scheme, for which a register was being compiled of local businesses (principally in the housing repairs sector) that, having

demonstrated their compliance with a number of basic requirements, were to be considered trustworthy by the public. Financial support for the project (including funding for a temporary assistant for the purpose) had come from the housing budget. Initially the scheme had been expecting to launch with around 50 'trusted traders' registered, but the intention is for the scheme to grow steadily to around 200 or more businesses in subsequent years. While it provides no guarantees about service quality (and does not represent official accreditation by the council), the likelihood was that, any business generating justifiable complaints, would lose its registration, an outcome that was felt would probably serve to incentivise good compliant trading practices. At the same time, being on the Trusted Trader list (for which a fee was probably to be payable after the initial trial year) would almost certainly be regarded by most such enterprises as a good marketing opportunity and likely to promote more business.

There are plans to conduct an evaluation of the scheme in its first year, including visits to vulnerable (elderly) groups in the area to gather feedback, and possibly to extend it from its housing repair roots to include a wider range of trades and services. It is also hoped that the scheme will eventually result in less complaints about unsatisfactory repairs coming forward to trading standards for investigation and that, ultimately, it would also serve to marginalise rogue traders and doorstep crime which, as indicated, are key priorities for the Council.

More generally with regard to consumer complaints, much of the work being undertaken was described as being of a 'mediating' nature; involving telephone or letter writing to those businesses subject to complaints on behalf of aggrieved consumers. In many instances this, it was said, proves effective in generating some redress and in engaging with businesses which would benefit from receiving advice on their legal obligations. Court action is always seen as a last resort and, then, only when the evidence of malpractice is clear-cut. Second-hand cars and mobile phone contracts were said to be the two most common areas for complaint; each generating most of this form of work for the trading standards team.

One other, again proactive, area of consumer advice work that was discussed related to consumer credit. In this respect the department currently has funding for one year for an enforcement assistant to support trading standards officers in relation to 'pay day lending' as part of an initiative in financial inclusion.

Enforcement Work

The council has also recently agreed a new policy initiative in relation to 'Cold Calling Control Zones' and the first six such areas have been designated. Three were in fact designated a few years ago on a pilot basis – each involving the provision of appropriate signage to mark the boundaries of the zone, and also involving the distribution of information packs and window stickers to each household. As with overview case-study No. 1, the scheme was subsequently evaluated through surveys within the zones and with the key finding again being that people generally

felt safer. Now, with a formal policy agreed, it is likely that more zones will be similarly designated. Although it was felt that the problems of doorstep crime and rogue traders are unlikely to be entirely overcome through the designation of Cold Calling Control Zones, the potential for enforcement is certainly felt by officers to be made easier, and with the department committing to respond promptly to any reports of incidents.

Enforcement work is wide-ranging but, as indicated, mostly arises in a reactive manner from complaints, or through particular projects to tackle high-risk trading activities or new or emerging areas of non-compliance or detriment. Since this case-study local authority includes some coastal waters, there is joint-working with the local Ports Authority, particularly in relation to importation of suspected counterfeit and uncertified goods. If intercepted, these are usually seized and samples sent to the trademark holder for verification to determine if enforcement action is felt necessary. Reductions in the number of enforcement officers over the years have resulted in very few car boot sales and Sunday markets being attended. However, virtually no complaints are received about these and therefore their regulation remains a low priority. It was suggested, however, that the trend in trading counterfeit goods had moved away from the traditional markets, and instead was now more on-line. Accordingly e-crime is now seen as one of the most significant growth area of work for trading standards. Again, as in case-study No. 1, it was emphasised just how difficult an area this is, since more and more of the goods are being sold directly from individual to individual via social media pages (e.g. Facebook) and, increasingly, without intermediary traders (who trading standards have traditionally targeted) being involved. Moreover, whereas on the traditional markets and car-boots, officers would often resort to 'mystery shopping' to gather evidence ahead of enforcement actions, the sheer scale of on-line commerce is now such that such evidence-gathering was, as described by one officer, like 'searching for a needle in a haystack'. Instead, the department's work on e-commerce is almost wholly driven by complaints and requests for help from the public; and for which the department usually sends a follow-up with letter or email to the supplier with advice or warnings about any apparent infringement of regulations. In some cases, this proves effective enough and redress for the detriment is forthcoming. But in many more instances, no response is received, and often the webpages disappear before any further action can be taken.

Animal Health and Welfare

The majority of the animal health work in this extensive rural area is comprised primarily of visits to farms and other livestock-holding premises, attendance at markets, and inspections of livestock transportation arrangements and slaughter houses. The Food Standards Agency requires a minimum of 30 farm visits per year and at least 10 feed samples to be collected and analysed. However, we learned that the actual number of visits made to farms and other sites with animals (e.g.

including equestrian centres, kennels and agricultural shows) in 2013-14 amounted to some 260. In addition, the team responded to some 126 different requests for advice or assistance in relation to animal health – and from some 90 different clients.

Attendance at the livestock markets is considered especially important for the animal health team in maintaining a public profile with farmers and traders and, by doing so, providing a deterrent against sub-standard practices. Relations with farmers were described as 99% good and it was emphasised that many regularly seek advice (for example, on the completion of necessary paperwork) and are generally appreciative of the expertise and free guidance provided by officers. Prosecutions here, as elsewhere, were described as ‘last resort’ and only considered so for farmers who repeatedly fail to listen to, or take heed of, the formal warnings (there were two such prosecutions in prospect at the time of our visit). Prosecution was also considered a burdensome action for the department –always consuming much time, with little prospect of even near ‘cost-recovery’ and usually ending in a monetary penalty for the offender that in most cases would, in the view of staff, be unlikely to effect the desired change in attitude or behaviour. However, the department does issue a significant number of formal ‘warning letters’ each year (as well as giving verbal warnings) as a result of conducting its farm visits. Indeed, it was estimated that about 10-15% of visits/inspections resulted in a formal warning letter being issued.

Because of the geographical size of the council area, much staff time is inevitably spent travelling. However, experience has taught the team that, unless they are ‘out and about’ and regularly having a profile with farmers and those working in farm-related industries, problems do tend to grow in frequency and seriousness. It was also generally accepted that a large proportion of non-compliant practices in animal health and welfare are going unseen and that, if more staff were available to the department, many more instances could be found and further problems prevented. The general message was that the animal health team is being as effective as it reasonably can, but is likely to be achieving regulatory compliance in relation to a minority of farm and farming-related businesses. Indeed, with a formal target of just 30 farms to be visited per year, some of the 3,000 in the local authority area would be unlikely ever to be subject to a visit. For this reason, officers regard market attendance as particularly valuable opportunities for meeting the farmers and livestock trading community, observing their practices, and learning about the problems.

Table 6: Logic Model Data for Case-Study No. 2

<u>Inputs</u>	Staff Establishment: 10.9 FTEs (but in practice 8.7 FTE in 2013-14)
<u>Activities</u>	Intellectual property and Counterfeit Goods Nos. cases reported: 10 Nos. cases handled: 10

	<p>Doorstep Crime and Rogue Traders</p> <p>Nos. incidents reported: 36</p> <p>Nos. cases Door-Step Crime cases followed up: 36</p> <p>Consumer complaints</p> <p>Nos. notifications made by CACs: 1250</p> <p>Nos. referrals made by CACs: 429</p> <p>Number of complaints handled by the Department: 2077</p> <p>Nos. cases followed up: 1679</p> <p>Age-Restricted Sales</p> <p>Nos. test purchases made: 32</p> <p>Product Safety</p> <p>Nos. cases reported: 38</p> <p>Nos. investigations undertaken: 38</p> <p>Metrology</p> <p>Nos. businesses inspected for metrology tests: 151</p> <p>Animal Health and Welfare</p> <p>Nos. visits undertaken on behalf of the case-study authority: 201</p> <p>Overall Visits and Inspections</p> <p>Total number of visits (all functions) carried out = 1350</p> <p>Total number of planned inspections = 968</p>
<u>Outputs</u>	<p>Nos. age-restricted sales test purchases found non-compliant: 12 (37.5%)</p> <p>Nos. metrology tests revealing non-compliance issues: 4 (3%)</p> <p>Nos. weighbridges tested and (and found to be accurate: 8</p> <p>Income generated in calibration fees (by providing a local calibration service to businesses): £9, 300</p> <p>Nos. instances of Animal Health non-compliance identified: 24 (12%)</p> <p>Consumer Redress:</p> <p>Total financial value involved: £11,820,000</p> <p>Total consumer redress achieved on behalf of consumers £44,000</p> <p>However, the extent of financial value of the department's work (and the associated potential savings on losses) is likely to be much greater than recorded here since much of the work undertaken is 'preventative' in nature (i.e. raising public awareness about risks involved with up-front payments).</p> <p>Business Advice:</p> <p>Number of requests for Business Advice by traders actioned: 358</p>

<p><u>Outcomes</u></p>	<p><u>Community Safety: Public Protection through Cold Calling Control Zones.</u></p> <p>Reduced incidence of cold calling: Before the pilot zones were established, a survey found that 94% of the residents reported having been cold-called within the previous six months (and with some 7% having received unwanted cold callers at their door more than once a week). During the first 6 months of the pilot, this reduced to only 28% of residents reporting any cold callers, and even then, with an incidence of less than one call per month.</p> <p>Increased reporting of cold callers to the police: Within designated zones survey results indicated that residents were more likely to report suspicious callers to the police (some 89% of residents saying they would now do this, compared with just 63% previously).</p> <p>Stronger sense of public safety: While prior to establishment of the zones, none of the surveyed residents indicated feeling “unsafe in their homes”, the sense of safety was reported to be significantly higher after the establishment of the zones, with almost all “feeling safer”, and 80% feeling ‘very safe in their homes’ compared with only 62% previously (all others feeling ‘fairly safe’).</p> <p>Greater public confidence to resist cold-callers: Prior to the establishment of the zones, a survey found that 7% of residents “did not feel confident at managing callers at their door”. But once the zones had been designated, 100% of respondents felt better prepared to resist the persuasiveness of unwelcome traders (with 64% reporting that they “felt very confident”).</p>
<p><u>Impact</u></p>	<p>Greater public awareness of, and alertness to, the problem of cold-calling</p> <p>In addition to the above outcomes, publicity and media profiling of the CCCZ initiative has made more people (including many living outside the designated zones) more aware of the issues of cold calling trades-people. That in turn is considered to have helped reduce incidence (by deterring many potential cold callers) and to increase public confidence to reject unwelcome callers and resist sales pressures, as well as being wiser to the risks of exploitation (though no specific data was available).</p>

Overview Case-Study No. 3.

The borough on which this case-study was based has been a unitary authority since 1998. It has a population of around 126,000 and has been under Labour control from the outset. The authority's five current corporate priorities are

- health,
- environment and regeneration,
- employment, learning and skills,
- children and young people and;
- safety.

In 2008 the authority decided to contract out its trading standards service to a neighbouring council (through a TUPE transfer). At the time, the neighbouring council had offered to take the responsibility as part of an initiative across its public services to increase efficiency and resilience (while at the same time having made cuts to its own central services). The offer had proved attractive to our case-study council, not least because it promised provision of trading standards services at a lower cost than as currently provided on an in-house basis. However, on the 1st April 2014 –some six years on – the service was taken back in-house because the council had significantly reduced its own central re-charges in the intervening years which meant that the trading standards service could now be provided at lower cost in-house and without any other reductions in front-line resources.

At the time of the visit, the case-study trading standards department had been operating in its re-established form for just under 6 months. When asked if, in light of experience, it would consider out-sourcing any or all of its functions again, a senior representative of the authority responded as follows:

“You can outsource responsibility but not accountability”. “You can't design a contract that says X level of prosecutions, but you can design a contract where performance can be easily defined and measured e.g. all registered fireworks premises visited. You can't contract out an advice service. Neither party could be clear on what's involved. It's the problem of designing a contract. How do you design the contract you want? If new legislation comes along, how do I then negotiate? It would be practical to buy in metrology and feedstuffs, but not the whole range of services”.

“In any contracting-out situation where the service is provided by another local authority, the contractor authority has to satisfy their own members first – they wouldn't want to cease doing something in their area to do something for another area.”

Whilst the case- study authority recognised that the contracted service being provided was good, the fact that the new in-house service could be provided more cheaply was a particularly important consideration in the decision to reclaim service

provision, since savings were needed in light of a tough grant settlement from government and tight restrictions on council tax increases, and it had proved difficult to achieve these under the outsourcing arrangement because of a lack of control. A further factor in the decision was that it was felt easier to align trading standards work with the council's own public protection and other priorities if the service was managed in-house. Accordingly, the environmental health manager had been asked to oversee the transfer back; in the process of which, around £80,000 of savings had been identified and achieved. Establishing a very flat organisational structure in the new in-house unit has also been important in realising these savings. The unit has been located within a new public health directorate (formed in light of the transfer of the function from the health service to local government) whose remit and priorities include improving mental health provision, reducing alcohol consumption, accidental falls, cancer rates, and improving child development. Trading standards is considered to fit well in such a context, as well as with several other of the council's corporate priorities.

Within trading standards the key priorities have, for some time, been:

- Age-restricted sales
- Doorstep crime/supporting scam victims
- Illicit tobacco
- Intellectual property crime (counterfeit goods) including product safety issues as well as the potential detriment to businesses (especially local ones)
- Consumer advice

In the past, the council's own trading standards department had devoted considerable resources to providing advice to consumers and had offered the same level of service to all consumers regardless of their individual circumstances or their ability to deal with the matter themselves. Prior to the contracting out of the service an approach that focused on providing a tiered advice service dependent on need and ability had been introduced so that the greatest resources were targeted at the most vulnerable. Consumers were being encouraged to pursue their own complaints with traders and the department generally only intervened and took action itself in cases where those concerned were deemed as particularly vulnerable (e.g. because of age, mental health, disability or other special circumstances) or because the department was sufficiently concerned at the malpractice to want to pursue the case and perhaps take it to court. An example of such a case involving a vulnerable person was outlined to us; this involving a person with special needs who was duped by a relative into signing a credit deal for a sum of some £12,000 – a loan on which they subsequently defaulted.

In a context where many authorities have become unable to fund their advice services, the councillors at this case-study authority, wanted higher priority to be given to consumer advice, feeling that, in the current economic climate such services were needed more than ever, and particularly given the rising number of consumer

problems and the reduced resilience that many people were now experiencing. Indeed, councillors took the view that all the council's trading standards priorities should derive from, and reflect the fact of, the area's high level of deprivation and the associating serious implications for health (for instance, alcohol consumption and incidences of cancer are acknowledged to be particularly high). Hence the decision, on assuming control of trading standards again, to relocate it with the authority's new public health directorate and public health corporate priority.

On age-restricted-sales as well, the department has become more pro-active since its re-establishment in-house. There is now more focus on working with licensed premises to prevent underage sales and indeed work has been undertaken to develop a restorative justice approach by way of response to breaches of the legislation in this regard. A programme of test purchases has been introduced (working with someone with a younger appearance but actually aged over 18) to check the number of premises asking for ID. Some 80% of premises visited recently did, indeed, request ID of the prospective purchasers.

On doorstep crime the department responds to all reported incidents and notifies by email local wardens, community groups and home watch coordinators. The same groups and individuals are also circulated with information about reported scams, public health warnings, information about programmes for sufferers of mental health problems, and of other public protection promotions such as 'stay safe in the heatwave'. The department has also obtained a copy of the "suckers list" - a register of known victims of national scams - which includes names and contact details of some 160 residents of the authority - and now does promotional work to alert people to the risks of scams (with posters in the shopping centres), running an interactive scams quiz as well.

The department has also recently been undertaking a project on scam promotions through the post, such as prize draws, noting that in one case that £6,000 has been lost by one victim and £2,700 by another when duped into sending money in response to notifications of success. Two staff have focused on this work and met with scam victims to learn more about their vulnerability (scams being especially attractive to some people because they appear to satisfy some otherwise unmet needs). The team has developed a toolkit so that they can signpost victims to other services or groups that may be able to meet such needs in other, less risky, ways. The team is also undergoing training to develop their skills in coaching victims towards behaviour change. This initiative is in its early stages and is particularly oriented towards people at risk of losing significant sums of money and perhaps their independence as well - an experience, summarised in the 'Think Jessica' campaign¹⁵ that, sadly, is all too common. Accordingly, the department is also working at raising public awareness of the incidence of doorstep crime through the council's various other front line services.

¹⁵ <http://www.thinkjessica.com/>

In some contrast to all this, the work on counterfeit products has been much reduced because of its more limited impact on the most vulnerable residents of the area. The general view now taken is that, if the circumstances of a sale are such as not deliberately to mislead the purchaser (e.g. if the goods are known to be counterfeit and yet are wilfully offered for sale as though the genuine product), there is no significant financial detriment to the consumer, particularly if there is also no safety issue and no impact on local legitimate businesses. In such cases, these days, the matter will be treated as low level. An example, of this which was cited by a member of the department was of the offer of an apparently branded handbag, normally retailing at circa £1500 and available from authorised dealers only, being offered for sale for, say, just £20. In such situations, it was argued, it would be unlikely now that the department would pursue a complaint or take enforcement action unless the quantities involved were significant.

That said, a small seizure of counterfeit and illicit tobacco had recently been made and fully investigated. Here it had been anticipated that the likely sentence for the trader would not be significant as it was a first offence and only a small quantity had been found. So it was decided instead to opt for a restorative justice style approach, with the trader and purchaser offered the option of under-taking a 'quit-smoking' course as an alternative to court proceedings. Both opted for the course but information was laid and a court date booked for a prosecution hearing in case either party failed to complete the course. As it happened, both parties did complete the course and the information to the court was withdrawn.

Moreover, the apparent reasonableness of this approach is underlined by the fact that some trademark holders have seemed reluctant to work with trading standards following seizures or 'mystery purchases' of look-alike goods. Indeed, many have declined to provide confirmatory statements as to their counterfeit status, although others, it should be said, are very supportive of the work of trading standards.

In line with the case-study council's priority for 'environment and regeneration', the department is responsive to requests for business advice, while its work on under-age sales is similarly seen as important because of its connection to the priorities of 'children and young people' and 'health improvement'. More generally, it was acknowledged that the re-established in-house department "needs to focus on elements of the service that provide value to residents" and that evidence is needed to substantiate the value claims. Accordingly, next year the department plans to develop a formal service plan so that the council as a whole can understand better what is being done in the name of trading standards.

Compared with earlier times, the staffing team is now operating in a more flexible manner - the approach is "not territorial" and the consumer advisors offer help the environmental health officers, for example, in relation to mediation on noise nuisance complaints between neighbours while, in return, members of the environmental health team may be asked to help trading standards staff bag-up evidence gathered from seizures of counterfeit tobacco.

The focused work on under-age sales includes 'mystery shopping/test purchases' and the provision of training for retail staff in relation to requirements for proof of age. To this end, a training session has been developed in consultation with local businesses to ensure that it meets their needs. Work is also being undertaken on "Local Alcohol Action Areas", supported by Home Office funding, and trading standards are making significant contributions to the development of an alcohol strategy for the council. Additionally, the department is taking part in a regional survey (involving twenty-three trading standards departments) on the issues around access to alcohol among samples of young people. Home Office guidelines in relation to test-purchasing exercises restrict test-purchases to 'high risk' premises where intelligence suggests there is a problem. A test-purchasing exercise to test the operation of the 'challenge' policies are being undertaken, with the help of an over-18 volunteer, and targeted on a carefully selected sample of premises which had not been visited for 2 or more years, which had given rise to complaints previously, and where no Primary Authority relationships were involved. The service is also proactive as a 'responsible authority' for licensed premises, and has introduced a condition on every licence since 1st April 2014 that a notice is displayed at the entrance to the premises stating the law in relation to those aged under 18 buying alcohol or those over 18 buying it on behalf of others under-age.

The work of two staff members is centred on consumer advice with, as indicated, particular focus on those most vulnerable to scams and other forms of exploitation. Such case-work can be very time-consuming, and though mostly involving older people (a 96 year old and another in their late 80s are on the national 'suckers list' – a register of individuals who have repeatedly been victims of scams),-the department has dealt with a number of cases of young people, some with mental health problems, who have similarly been duped into losing considerable sums of money on, for example, ticket scams and slimming tablets.

Some examples of consumer advice successes described to us by the department included:

- An 80 year old lady who has a brain tumour contracted with a firm for a Call Blocker (a device to stop unwanted telephone calls). She advised them that she had a lifeline attached to her phone and they assured her that their equipment would work with her lifeline. It didn't – and they did not respond to her. Trading standards obtained a refund.
- A consumer had a problem with a newly-purchased car. Trading standards liaised with the garage which failed to resolve the matter. The garage now has the car and the money. The consumer has now been diagnosed with epilepsy and cannot drive. Trading standards are assisting the consumer to go to court.
- A consumer contacted trading standards with regard to their elderly father who had contracted with a company selling insurance for Sky TV. The insurance was mis-sold – trading standards obtained a refund.

- An elderly lady contracted for a refurbished bathroom. She cancelled within the cancellation period but the trader with-held £1000 'for costs'. Trading standards obtained a refund for her.
- A referral was received from social services about a consumer who had received a debt collection letter from a company with whom she had no previous dealing. Trading standards has written requesting they either provide evidence of the alleged debt or cease correspondence on the matter.

Much work is also being done at this case-study department on e-crime and on safety issues associated with many counterfeit products. Such work includes on-line investigations of IP addresses and e-crime more generally, undertaken in close collaboration with the police. The case-study authority is one of just six of seven out of twenty three in the region equipped with a stand-alone computer, and so able to undertake covert purchasing by (private) credit card of suspected counterfeit or illegal goods. Much of the work here also involves 'advising' traders about the regulations for on-line selling with which they should comply, as well as monitoring internet trading via E-bay, Gumtree, or smaller auction sites. As reported in other of our case-studies, goods sold on Facebook present particular challenges for trading standards, since buyers need to become "friends" of the traders and the transactions are made through private messaging. Unsurprisingly perhaps, internet-trading is rapidly replacing car-boot sales as the main venue for selling of illicit and fake products.

Table 7: Logic Model Data for Case-Study No. 3

<p><u>Inputs</u></p>	<p>Staff Establishment: 6.4 FTEs and 1 temporary FTE (there are no support staff)</p> <table> <tbody> <tr> <td>Senior management</td> <td>1.0</td> </tr> <tr> <td>Fair trading/Metrology</td> <td>2.5</td> </tr> <tr> <td>Product safety</td> <td>0.5</td> </tr> <tr> <td>Age restricted sales</td> <td>1.0</td> </tr> <tr> <td>Consumer advice</td> <td>1.2</td> </tr> <tr> <td>Business advice and support</td> <td>0.2</td> </tr> <tr> <td>Scam victims</td> <td>1.0 (temporary post)</td> </tr> </tbody> </table>	Senior management	1.0	Fair trading/Metrology	2.5	Product safety	0.5	Age restricted sales	1.0	Consumer advice	1.2	Business advice and support	0.2	Scam victims	1.0 (temporary post)				
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<p><u>Activities</u></p>	<p>(from 1st April – 18th Dec 2014)</p> <table> <tbody> <tr> <td colspan="2">Intellectual property and Counterfeit Goods</td> </tr> <tr> <td>Nos. cases reported:</td> <td>1</td> </tr> <tr> <td>restorative justice</td> <td></td> </tr> <tr> <td>Nos. cases handled:</td> <td>6</td> </tr> <tr> <td colspan="2">Doorstep Crime and Rogue Traders</td> </tr> <tr> <td>Nos. incidents reported:</td> <td>21</td> </tr> <tr> <td>Nos. cases Door-Step Crime cases followed up:</td> <td>21</td> </tr> <tr> <td colspan="2">Consumer complaints</td> </tr> <tr> <td>Nos. referrals made by CACs:</td> <td>348</td> </tr> </tbody> </table>	Intellectual property and Counterfeit Goods		Nos. cases reported:	1	restorative justice		Nos. cases handled:	6	Doorstep Crime and Rogue Traders		Nos. incidents reported:	21	Nos. cases Door-Step Crime cases followed up:	21	Consumer complaints		Nos. referrals made by CACs:	348
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Consumer complaints																			
Nos. referrals made by CACs:	348																		

	Number of complaints handled by the Department: 446 Nos. cases followed up: 446* Age-Restricted Sales Nos. test purchases made: 21 Product Safety Nos. cases reported: 16 Nos. investigations undertaken: 16 Metrology Nos. businesses inspected for metrology tests: 0 Animal Health and Welfare –not a TS function in the authority *All cases receive consideration, some may be closed with no action, some may result in an iCAN message and some are fully investigated.
<u>Outputs</u>	Nos. Age-Restricted Sales test purchases found non-compliant: 4 (20%) Nos. Metrology tests revealing non-compliance issues: NA Nos. weighbridges tested and (and found to be accurate: Not recorded Income generated in calibration fees (by providing a local calibration service to businesses): NA Consumer Redress: Total financial value involved: £510,786 Total consumer redress achieved on behalf of consumers: £12,552 Business Advice: Number of requests for Business Advice by traders actioned: 13
<u>Outcomes</u>	No data supplied but the following outcomes were proposed: Reduction in under-age drinking and smoking Reduction in detriment to consumers from illegal and unfair trading Prevention of doorstep crime and support for victims
<u>Impact</u>	Again, no data supplied but the following impacts were proposed : Better business environment. Reduction in death and disease from long term health problems induced by smoking and drinking. Reduction of dependency and early death of older people caused by doorstep crime.

Overview Case-Study No. 4.

This case-study was based in a council serving a population of some 370,000 inhabitants, and covering an area of around 33.5 square miles. The council has been Conservative-controlled since 2002 and more recently has pursued a radical outsourcing approach to its service delivery role. On 1st October 2013 it launched a joint venture with a major private sector service provider as RE (Regional Enterprise) Ltd to run the council's development and regulatory services. The contract for this venture runs for 10 years with the possibility of an extension for a further five years. It is expected to be worth around £154million over the 10 year period.

RE is now responsible for all regulatory-type services in the local authority – trading standards, environmental health, planning, building control, highways, regeneration, cemeteries and crematoriums. The trading standards team of staff involved is small – just 4.5 FTEs (and this has been increased by 1 FTE from a starting point of just 3.5). The business model here is considered to be one that will work best when it is scaled up and the plan is that RE will look to selling its services to other councils and to becoming a centre of excellence in regulatory service provision. Revenue growth potential for RE is helped by the 'package approach' to regulatory services – with planning and regeneration services offering the most potential, for example, by introducing a pre-application planning advice service.

There is a strong sense of partnership between the private sector provider and the council in this joint venture, but also an intriguing blending of perspectives - with ideas from the provider about new business opportunities and the generation of more revenues being tempered by the local authority's public service outlook and concern for possible political consequences of any such developments.

The requirements in relation to trading standards services are set out in a formal contract specification which includes KPIs, targets and measurement methods. KPIs cover the effectiveness of trading standards interventions, the number of projects to be conducted, and of licensing applications to be processed within statutory time limits. There is also an over-arching "super KPI" of local residents' satisfaction. Such KPIs have been largely developed by the trading standards officers who provide the services. KPIs are monitored and reported to the council on a monthly basis as well as quarterly and annually. Furthermore, the agreement includes provision for penalties to be applied for any failures.

Under the new regime here, trading standards has tried to step away from the traditional pattern of activity and operate as a small service but one that has maximum impact. Everything that is done is always measured. RE is investing strongly in technology and training; it is providing more on-line services, and practising intelligence-led enforcement. An intelligence analyst has been employed and the business is looking to expand this type of work for other client local authorities. Indeed, at the time of the visit, RE was about to sign a contract with the regional trading standards body to deliver a regional intelligence service, with funding

coming from the National Trading Standards Board. However, it was suggested that undertaking such work was more likely to bolster RE's credentials and reputation than increase profitability through further revenue generation.

As indicated, the ethos is of close working relationships between the council and RE as the contractor. RE is able to make proposals (with business cases) for any additional activity perceived to be important, for consideration and decision by the council. RE is also contracted to deliver a particular level of income for the council through existing fee earning work and growth activities. In addition any additional work directly commissioned by the council is priced according to a previously established price menu system, the margins for which have also been previously agreed.

Prior to the joint venture, trading standards in this particular council was generally regarded as being seriously under-resourced because of budget constraints. However, under the new business model with RE, there is commitment to recruit at least one more qualified trading standards officer, for which RE is content to take the risk as to whether or not this generates additional development work to be affordable. Indeed, at the time of the visit, an agency worker had been recruited to provide extra cover for such enforcement responsibilities.

Certain trading standards activities were described as being especially popular with councillors and the community in the case-study borough, notably case-work on fraud (a difficult case having recently highlighted to the council the insufficiency of trading standards resources). Certain other activities were said to attract less kudos among local politicians, particularly metrology, which is viewed as a particularly expensive service if provided separately by each local council. Accordingly, another council has been undertaking the case-study authority's weights and measures verification work since 2001.

In 2001, the council's trading standards service (with a total of 14 staff) had also undertaken a considerable amount of consumer advice work through a separate team. But the need for this was questioned by councillors, many of whom were sceptical about its justification and value within a local authority service remit, seeing it more as a role for bodies such as the Citizens' Advice Bureau.

At the time of transfer to the joint venture, the trading standards service retained only one qualified trading standards officer – there being little effective voice at the council's senior management level to make the case for a larger professional team and with few councillors knowledgeable about the work to influence the decision for significant budget reductions. As a result, the function first began to operate on a "firefighting" basis, attending only to those activities regarded as highest priority for the council, notably safety, serious rogue traders and age-restricted sales.

But then, since the move to establish the venture with RE the philosophy has become very different. Trading standards officers are able to put forward their business cases for expansion of their work and make their proposals for investment

in additional priority activities and RE and the council can decide to support the business cases or not. As indicated, RE has itself invested heavily in upgrading operations. For example, staff are soon to be equipped with electronic devices for inputting their data directly from the field. There is now also a “priority intervention team” that carries out highly regarded, but minor, infringements across the range of regulatory services; for example, including work on noise nuisance, litter dropping and other environmental health matters.

From discussions with staff, it seems that consumer protection work is also highly valued by some of the leading politicians at local level, who recognise that previous reductions in trading standards budgets have led to much less proactive product safety inspection work and to heightened risks of dangerous toys and other goods reaching local markets. As indicated, there is also concern about the prevalence of scams and rogue trading in the area. Thus, there may therefore be political support for additional resources for such aspects of trading standards activity.

Project work undertaken by RE includes investigations of the second-hand motor trade (e.g. checking that the price of vehicles is the same whether purchased under a credit agreement or with cash) and of child safety issues (with a promotional poster campaign on the subject). Moreover, as already stated, there is on-going project work on age-restricted sales (from which it has been found that as many as 50% of retail premises have a track record in selling restricted products to under-age purchasers).

Overall, the council affords autonomy to RE and to its trading standards team as long as the contractual outputs are delivered. From the perspective of RE, this is not about “running a budget” in the traditional local government manner, but about “running a small business”. Overheads are mostly fixed, so winning more business is likely to generate higher returns, of which the council is able to take a share. An important part of the strategy for RE is to make further efficiency savings through better use of IT and by developing a stronger intelligence-led approach. This, it is argued, will free up resources from unproductive effort which can then be deployed on other more fruitful priorities. In short, RE is looking to grow, and its successful bid for the Regional Analyst function, and its willingness to take on responsibility for other regional activities, illustrate the commitment of the venture to do what few, if any, local authority trading standards services could have even contemplated, particularly in the current challenging financial climate. As RE builds up its expertise, it seems likely to become significantly more influential and a leading provider in the trading standards sector. Meanwhile the case-study council’s confidence in RE has grown, and there is greater willingness than at the outset to agree to new trading standards projects as well as strong interest to monitor the improvement in performance and the achievements through the monthly reporting process.

Table 8: Logic Model Data for Case-Study No. 4

<p><u>Inputs</u></p>	<p>4.5 FTE trading standards staff.</p> <p>1 FTE Intelligence analyst and intelligence equipment. Management fee circa £300k for trading standards and licensing (plus growth income achieved).</p> <p>Individual training plans for every member of staff.</p>
<p><u>Activities</u></p>	<p>Street trading review, develop web site (customer self-service), inspections and complaints, licensing, underage sales, second hand car trade, primary authority, illicit tobacco sales, rogue traders and counterfeiting.</p>
<p><u>Outputs</u></p>	<p>No data was supplied but the following outputs were proposed:</p> <p>Effectiveness of the trading standards services. Effectiveness of the licensing service interventions. Reduction in the % of businesses persistently trading unfairly. Licensing and Gambling applications processed within statutory timescales. Number of TS Projects undertaken. Number of TS Service requests.</p>
<p><u>Outcomes</u></p>	<p>No data supplied but the following outcomes were proposed:</p> <p>Increase in compliant businesses. Reduction in underage products available to children. Improved levels of consumer protection. Improved awareness of the trading standards and licensing services. Increase in business and customer satisfaction.</p>
<p><u>Impact</u></p>	<p>No data was supplied but the following impacts were proposed:</p> <p>Increased consumer confidence and economic growth. Improved fair trading environment. Improved community safety.</p>

Specialist Case-Study No. 1: Business Advice.

The department for this case-study formed part of a larger joint service organisation, with a team of some 55.5 staff who provide trading standards services for five councils in the surrounding county area and serving a population of 2.3 million people.

The department is split into three teams: specialist services, business, and market surveillance. The joint service also includes a public analysis laboratory, a materials testing service, an archaeological service, an archive service and an ecology service. As a joint service organisation, it has its own HR and IT support functions and buys

in legal support. As such, it is generally viewed as offering good value for money to the councils and local businesses.

Business advice and support is viewed as a key priority for all five councils in the joint service because of its role in supporting economic regeneration activities. The department has stopped offering 'home authority' and is focused purely on developing its 'primary authority' contracts. 2013-14 was the third year since the launch of 'primary authority' and many of the 'home authority' businesses have simply transferred into 'primary authority' scheme. There are a large number of company head offices in the area, and the department currently has 67 'primary authority' contracts. The department describes its approach as 'business friendly' and follows a pragmatic approach to its working relationships with businesses, with willingness to try out different ways of working to ensure a helpful outcome for businesses.

The primary authority work is non-profit-making and purely cost-recovery. Each primary authority business signs up for a 12 month contract and, to date, most have renewed. There is an administrative set-up fee of £180, which includes an assessment of whether the business is suitable for primary authority. The team then charges £45 an hour for primary authority advice, with a minimum contract of 8 hours per business per year. The offer is regarded as attractive to businesses and representing good value because the advice from trading standards carries status and professional weight. The team commented that smaller businesses tend to stay within the 8 hour limit whereas larger businesses might pay up to £15k in a year for a more extensive primary authority service. If businesses have not used their allocated 8 hours, the service will typically offer training courses to make up the unspent time. Some businesses view the arrangement as akin to a good insurance policy.

A lead officer is nominated for each account who will meet with each primary authority business, ask if their business needs have been met in the preceding year, agree a new annual action plan and evaluate the achievements of the previous one. The team will also provide whatever support businesses want as part of their primary authority work; for example a training package was recently developed and delivered on the revocation of the Distance Selling Regulations and the implementation of the successor Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013. There are different specialisms within the team, for example some of them are specific safety specialists. The lead officer with whom we spoke commented that there is a different skill set needed for primary authority work where officers need a robust but pragmatic approach to maintain an effective relationship.

The primary authority work consists of:

- Filtering referrals for larger businesses (e.g. large supermarkets).
- Answering business questions on behalf of primary authority businesses. (e.g. price match queries).

- Providing assured advice on particular issues in order to prevent potential multiple prosecutions (e.g. underage sales). This provides the business with a guarantee that the advice will be same over the whole country and substantially reduces the burden on businesses around compliance.
- Helping businesses to meet legal requirements before processes are signed off (e.g. food dating processes). The team will then make ad hoc visits to check if businesses are complying.

The team focuses strongly on developing strong relationships with its primary authority businesses. In one instance the team was asked to develop a bespoke training package and to train all head office managers and store managers, in doing so drawing on their extensive and in-depth knowledge of the relevant regulatory requirements. As part of the preparation for the training, the intention was also to carry out compliance checks. It was suggested that businesses perceive the team working with them as ‘friendly fire’!

In addition to the primary authority work the team offers two hours of free support for new start-up businesses or those that have recently moved into the area. It was commented that such a ‘free service’ could be offered because the primary authority team is already in place and with its well-developed focus on offering advice to business, and with the necessary capacity and skill-set. Requests for such support typically come through the website, usually starting with requests for advice on specific issues. The team view their own responsiveness with free advice in this respect positively, both as representing valuable in preventing problems through ensuring compliance and also in building relationships with businesses that might subsequently lead to more take-up for primary authority partnerships.

Local and regional groups which have benefitted from ERDF funding have invited the team to provide support and advice to some of their members and groups involved in setting up businesses and members of the team also often speak to community groups and businesses about compliance and other issues. Such additional and proactive initiatives frequently lead to requests from businesses for further advice. We were told that some 75% of business queries come through the website and most of the other 25% as a result of seminars and other community-based and public events.

The team commented that, once a business has used up its two hours of free advice, there was currently no further offer available, and recognised that this might represent a potential gap in their support (given that most small businesses would neither need, nor be able to afford the primary authority model and would have nowhere else obvious to go for additional advice. However, the team indicated their willingness to respond to established businesses on very small queries providing only a few minutes would be taken up. For bigger queries, if the business was not involved in primary authority (and not interested to become so) then the department would more likely limit its help to signposting them towards advice from a more appropriate source. The team is in the process of updating the service’s website,

and hopes in the future to offer web-links for businesses to use, such as to the TSI Business Companion.

The team also carries out proactive non-compliance work, monitoring customer complaints and offering businesses guidance in light of an infringement and following the issuing of a warning. This is seen as a blend of enforcement and advice. We were told that some such businesses then sign up to a three month probationary period of primary authority, and if that proves valuable and the business does indeed act on the advice of the team to become compliant, there is the opportunity to become a full primary authority partner. The team commented that all those businesses which had been through this probationary process had indeed 'upped their game' and become compliant.

The team also offers training programmes to any business that requests it and are looking to develop their suite of training materials. Their education work with businesses includes programmes on quite specific trading standards issues such as underage sales – for example, the team recently ran a training course for a large business, working in conjunction with a local public health department, following a test purchasing exercise on their premises that identified a 40% failure rate. This, education programmes are seen as important supporting instruments for enforcement work. And it was argued that there is good evidence to indicate that business compliance in relation to under-age sales has improved as a result of such programmes.

The team also offers free advice to a city business directory of reputable traders (trusted traders), an initiative that is especially aimed at protecting vulnerable people from rogue-trading and door-step crime. In this respect, the directory now has over 1700 members, all of whom receive regular updates on new legislative changes as well as the two hours free advice and training – reflecting the priority afforded in the area to the prevention of rogue trading problems.

Table 9: Logic Model Data for Specialist Case-Study No. 1 - Business Advice

<p><u>Inputs</u></p>	<p>3.4 FTE carry out business support work.</p> <p>Some other officers will do business support as part of PA work e.g. food businesses might have a food specialist as their PA will be with food specialist. The PA team can call on specialists from other part of TS.</p>
<p><u>Activities</u></p>	<p>Number of Businesses worked with (excluding risk rated inspections)</p> <p>67 Primary Authority businesses.</p> <p>954 businesses approached the Service for advice.</p> <p>92 Hot Take Away Food businesses.</p> <p>10 responsible retailer visits.</p> <p>285 advice letters dispatched.</p>

	<p>50 (approximately) free two hour advice sessions given to businesses.</p> <p>Primary authority work consists of:</p> <p>Filtering referrals for larger businesses (e.g. large supermarkets)</p> <p>Answering business questions on behalf of PA businesses. (e.g. price match queries)</p> <p>Providing assured advice on particular issues in order to prevent potential multiple prosecutions (e.g. underage sales).</p> <p>Helping businesses with meeting legal requirements. Providing a Single Point of Contact Answering business questions (e.g. interpretation of legislation, website approval of content, terms & conditions, levels of due diligence)</p> <p>Other business support: Community workshops. Two hours of advice. City directory business support. Training.</p>
<p><u>Outputs</u></p>	<p>Number of non-compliant businesses that became compliant - 112 Self declarations 28 businesses removed from ILEP as now compliant</p> <p>Number of community workshops attended - 10 1 credit business workshop – 150 attendees 1 bed manufacturer workshop – 100 attendees</p> <p>Number of training sessions/businesses trained – 4 Small shops trained and sat the Fair Trading Award 10 Due diligence training courses (150 employees) 10 Courses on legislation (120 employees)</p>
<p><u>Outcomes</u></p>	<p><u>Increased business compliance through better understanding of regulatory expectations.</u></p> <p>More businesses understanding the standards for trading expected of them and meeting those standards through provision of advice and guidance. Data not available on the number of businesses becoming compliant as a result of the provision of advice and guidance from trading standards officers</p>

	<p><u>Net financial savings for businesses through the Primary Authority scheme.</u></p> <p>Increased efficiency for larger (multi-site) businesses by being able to concentrate their work on compliance standards in one place under the Primary Authority scheme. Data not available on the level of net savings achieved for individual businesses through the Primary Authority scheme.</p>
<u>Impact</u>	<p><u>Widening awareness of regulatory standards expected and higher rates of compliance as a result.</u></p> <p>Increasing awareness of regulatory standards as a result of profiling and publicity by trading standards and as the word spreads, leading to less incidence of non-compliance and better attainment of regulatory goals and purposes. Data not available on the spread of awareness and compliance but the team believes that a number of businesses have become compliant as a result of their interactions and initiatives.</p>

Specialist Case-Study No. 2: Food Standards.

The department for this case-study is part of a large county council serving a population of 505,000 and covering four district council areas. The trading standards team as a whole consists of 19.39 staff and has moved to a generic approach where each member of staff deals with 'all things trading standards'. The service is designed around demand, which comes to the team through an 'Understanding Demand Unit' (UDU) comprising 5 staff who act as the 'front door' to the department, assessing the complaints and what is driving them.

The stated aim of the department's food standards work is:

- Fighting consumer fraud.
- Protecting the individual, communities and businesses from harm and financial loss.

The focus of such work is on food issues that particularly impact on the health, nutrition and economic welfare of consumers, particularly the vulnerable. The team works on an intelligence led approach which involves collating and analysing intelligence and information to focus on areas of greatest concern. Sampling is an important part of this work as well as other sources of information including priorities produced by the Food Standards Agency.

The department also focuses on foods intended for particular groups such as the very young, children of school age and the elderly. Particular emphasis is placed on

programmes of consumer and business education, and information targeted at groups of consumers or areas where there is the greatest need. Interventions are designed to support these programmes.

There is no longer a dedicated food team, and there are now no staff who focus exclusively on food standards. However, in terms of resource inputs, it was estimated that the food standards work accounts for the equivalent of about 2.8 FTEs in total. Within the team, however, there are eleven 'food qualified' officers, although most other staff will readily deal with at least basic food-related queries (everyone in the team having at least a basic level of knowledge of the subject).

While the trading standards department is responsible for food standards (which includes food composition, ingredients and labelling of food) there is close working with the district councils' environmental health services which are responsible for matters of food safety, hygiene, cleanliness and the food borne causes of illness.

There are a small number of significant food manufacturers and importers in the county for which the department acts as 'home/originating authority'. The department has so far established six 'primary authority' relationships with food businesses and is continuing to raise awareness of this opportunity with other appropriate businesses.

In April 2013, in the wake of the horsemeat scandal and associated food fraud issues, the council agreed to allocate an additional £50,000 to trading standards to use in ensuring food sold in the county was genuine. This additional funding was used to gather intelligence and information available to enable them to target areas where it was felt issues were most likely to arise.

Most of the team's activities focus on helping businesses to ensure they are compliant by offering advice on labelling and composition of food. The number of customer complaints that the team receive about food is very small. Most of the work involves internal sampling or businesses seeking advice. Several of the primary authority companies are food manufacturers asking the team to check labels and to provide other advice. The team will carry out sampling at a project based level. However the primary authority companies will also take their own samples and share the information with the team. Primary authority food standards work is carried out on a cost recovery basis. There has been a tendency for companies to view their relationship with the food standards team as the end of a process, and centred on final checking of matters, so the team has been discussing how they might become involved at earlier stages and so establish closer and on-going relationships.

Recently a lot of new start-up businesses have been established in the food industry and the team commented that these had been somewhat of a drain on resources, because even small queries and advice-giving, for example, on the labelling of cup-cakes or dog food, can take several hours of work. The team do not currently charge for such advice.

The team also deals with issues of contaminants that are referred to them such as fungus in peanuts, aflatoxins, and heavy metal contaminants. Generally, it was unlikely that the department would pursue a prosecution because. More often than not, criminal intent was not clear cut and proving it beyond all reasonable doubt would be difficult. We were told that the last prosecution was 3 years ago. Instead, the team prefers to work with businesses to ensure compliance, this being seen as a more effective way of working. The team also seeks to ensure that the cost of business compliance is kept to a minimum, doing so by willingly offering reassurance and advice about how compliance might be achieved while minimising the costs involved.

Table 10: Logic Model Data for Specialist Case-Study No. 2 – Food Standards

<p><u>Inputs</u></p>	<p>Staff: The food work is delivered by 2.8 staff. 2.36 operational, 0.15 managerial and 0.1 support staff. The allocation of officer resource is as follows:</p> <table border="1" data-bbox="392 925 1331 1319"> <tr> <td>Officer allocation</td> <td>Resource</td> </tr> <tr> <td>Food & Feeding stuffs Interventions</td> <td>0.6</td> </tr> <tr> <td>Food & Feeding stuffs Complaints</td> <td>0.4</td> </tr> <tr> <td>Food & Feeding stuffs Sampling</td> <td>0.3</td> </tr> <tr> <td>Food Safety Incidents</td> <td>0.1</td> </tr> <tr> <td>Safety and Standards Promotion</td> <td>0.7</td> </tr> <tr> <td>Business Advice & Home/Primary Authority Principle</td> <td>0.6</td> </tr> <tr> <td>Liaison with other organisations</td> <td>0.1</td> </tr> </table> <table border="1" data-bbox="392 1357 1401 1621"> <thead> <tr> <th>Financial Costs</th> <th>Food</th> <th>Farm feeding stuffs</th> <th>Totals</th> </tr> </thead> <tbody> <tr> <td>Staff costs (including overheads)</td> <td>£122,563</td> <td>£9,312</td> <td>£131,876</td> </tr> <tr> <td>Project & sampling costs</td> <td>£21,000</td> <td>£4100</td> <td>£25,100</td> </tr> <tr> <td>Total cost</td> <td>£143,563</td> <td>£13,412</td> <td>£156,975</td> </tr> </tbody> </table> <p>ESTIMATED TOTAL ANNUAL COSTS of Food Standards (including farm feeding stuffs) is £156,795 (for Food Standards alone = £143,563)</p>				Officer allocation	Resource	Food & Feeding stuffs Interventions	0.6	Food & Feeding stuffs Complaints	0.4	Food & Feeding stuffs Sampling	0.3	Food Safety Incidents	0.1	Safety and Standards Promotion	0.7	Business Advice & Home/Primary Authority Principle	0.6	Liaison with other organisations	0.1	Financial Costs	Food	Farm feeding stuffs	Totals	Staff costs (including overheads)	£122,563	£9,312	£131,876	Project & sampling costs	£21,000	£4100	£25,100	Total cost	£143,563	£13,412	£156,975
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<p><u>Activities</u></p>	<p>In 2013-14 the department received 198 complaints about food issues. 139 of the complaints had an intervention to resolve them. This includes sampling and inspection.</p> <p>The amount of time that the team spent on food standards interventions had risen from is 6% in 2012-13 to 8.5% in 2013-14 in</p>																																			

	<p>terms of demand dealt with by the Trading standards service.</p> <p>In addition to this reactive demand, the Service carries out a similar proportion of proactive work in this area. This includes visiting all high risk premises and food sampling projects.</p> <p>Part of their proactive work includes a publicity programme which is targeted at publicising the findings of their work on issues impacting on the health, nutrition and economic welfare of consumers and providing both consumer and business education to mitigate any barriers that may exist. <u>This includes:</u></p> <p>Attending and participating in Community events, seminars and exhibitions.</p> <p>Issuing regular press releases and participating in interviews with the media.</p> <p>Promoting and taking part in national and local campaigns Static displays around the county.</p> <p>Giving talks to consumers and businesses.</p> <p>Attending and participating in appropriate meetings and workshops.</p> <p>Food project work that the team has carried out this year includes:</p> <p>Major food sampling survey looking at potential areas of food fraud and authenticity.</p> <p>Pilot project to assess the appetite of catering businesses in the County to participate in a scheme where they offer healthier food options to customers.</p> <p>Visits were made to catering businesses to look at the accuracy of origin of food descriptions.</p> <p>In conjunction with the Food Standards Agency the team raised awareness in gyms in particular of the dangers of substances such as DNP in body building.</p>
<p><u>Outputs</u></p>	<p>It is unusual to achieve redress in food standards. Consumers are not necessarily sure about what they can complain about.</p> <p>There have been no food prosecutions this year and the team commented on how costly it is to prosecute big providers.</p> <p>Some of the proactive sampling work undertaken last year discovered</p>

	<p>incorrectly labelled foods and aflatoxin contamination:</p> <p><u>Meat Species</u> 26 different meat takeaway products were sampled.</p> <ul style="list-style-type: none"> • 1 sample had undeclared BEEF in a Lamb Doner Kebab; • 2 samples had undeclared LAMB in Burgers; • 9 samples had undeclared CHICKEN in Lamb Doner Kebabs. <p>Initial investigations suggest wholesalers sell correctly labelled products, but the takeaway outlets may be ignorant of how to describe these at point of sale and customers are potentially being misled. These results are informing ongoing work to advise catering establishments on labelling changes which came into effect in December 2014. This also led to considerable publicity.</p> <p><u>Aflatoxin Contamination (Poisons of Fungal Origin)</u> 15 samples were taken, looking for the toxins which indicate fungal growth in the product prior to import. These toxins are highly undesirable and can cause liver damage.</p> <p>2 samples were unsatisfactory due to the presence of aflatoxins</p> <p>1 sample was unfit for human consumption and upon further investigation by this service a product recall was instigated; a revisit is planned to ensure future compliance.</p> <p>1 sample is being investigated by Trading Standards where the importer is based, also resulting in a product recall;</p> <p>5 samples had minor labelling problems being dealt with via advice.</p>
<p><u>Outcomes</u></p>	<p><u>Improved compliance rates</u></p> <p>Reduced incidence of food products with non-compliant labelling reaching the consumer market shelves: data not available on the number of instances of food products being removed from the shelves for non-compliant labelling.</p> <p>Reduced incidence of food products advertised with unsubstantiated health claims being manufactured, distributed or sold: data not available on the number of instances of such products being removed from supply.</p> <p>Reduced incidence of health problems through misinformation about food content for those with allergies: data not available on the frequency of instances of such health problems arising because of mis-information about food content.</p>

	<p><u>Sustained Consumer Confidence</u></p> <p>Sustained consumer confidence and awareness about the provenance of food and about healthy eating as a result of promotional initiatives: data not available on consumer confidence before and after such initiatives.</p>
<u>Impact</u>	<p><u>Better Health</u></p> <p>Positive impact on personal health and the economy through less sickness and time off work to recover, for example, following gastric or other negative reactions to food intake (though no data available).</p> <p><u>Level Playing Feld for Business</u></p> <p>Improved trading prospects and a ‘level playing field’ for legitimate food-based businesses because of the removal from the market of food fraud (though no data available).</p> <p><u>Consumer Confidence in the Food Industry</u></p> <p>Enhanced consumer confidence in the food industry and the quality of available food products (though again no data available).</p>

Specialist Case-Study No. 3: Animal Health and Welfare

This case study examined trading standards activities in the arena of animal health and welfare in two adjacent rural counties that had recently merged their services. After the 2001 foot and mouth outbreak, significant extra funding had been provided in support of animal health and welfare with additional training arranged for animal health officers. However, in more recent years, funding has been greatly reduced.

Animal health work includes both the provision of business support for farms and farm-related enterprises and the monitoring and enforcement of compliance with regulations concerning the handling and movement of livestock and the standards of animal feedstuffs. Ensuring compliance can be a complex process – with trading standards from time to time prosecuting a farm business for, say, persistent poor standards of animal welfare, and at the same time providing supportive advice on the regulations and on how to comply. The compliance team in this case-study aims to prioritise the provision of supportive advice to business, and indeed the business support team in the same department comprises a quarter of the overall staffing establishment.

The animal health and welfare landscape has changed somewhat with the advent of the Animal Health and Veterinary Laboratories Agency¹⁶. However, the core work

¹⁶ Recently reformed as the Animal and Plant Health Agency

continues to involve attending markets and monitoring standards in the transport and handling of livestock as well as visiting farms. It was pointed out that there is a much greater amount of transportation of animals today than in the past.

An important issue governing the patterns of such work in the particular joint local authority area is the existence of many small farms. Many are quite isolated and the farmers might go several days without seeing anyone. Nevertheless, farming, and livestock rearing in particular, operates in a highly regulated environment, with various other regulatory bodies involved besides trading standards, including DEFRA, the Environment Agency and several accrediting agencies. New regulations, and changes to existing ones are being introduced quite regularly - a state of affairs that means farmers need to be constantly up-dated and for which purpose internet access and e-mail is increasingly vital. But while most farmers are happy to speak face-to-face, or over the phone, many tend to be less interested in viewing the webpages of the local trading standards department or, indeed, may not have internet access.

These days, the average age of farmers is quite high and in many instances considerable skill is called for in balancing the need to be firm in ensuring compliance with the regulations with sensitivity in relation to the individual circumstances, for example, with many farms struggling financially and the farmer community suffering some of the highest rates of depression and mental health problems in society, often because of the relative isolation and economic difficulties associating with the industry. As a result, a sympathetic approach to enforcement is often called for. At the same time many of the small farms in the particular part of the country of this case-study have been diversifying in pursuit of new revenue streams, for example, by establishing farm shops or by offering bed and breakfast accommodation for visitors to the area.

The department has been developing a more generic skill-set among members of its team of trading standards officers, recognising that there are important benefits to working in a more flexible manner and being able to help each other out on different projects as needs require. In the past, a dedicated team would focus almost entirely on animal health and welfare work but now such specialist activity is linked to work throughout the food chain, i.e. covering food standards and feed as well. Moreover, while such staff would be expected to have completed the (quite technical) module offered by the Trading Standards Institute on 'agriculture and feed', they are additionally encouraged to qualify on the 'fair trading' module as well. With such a broader set of skills and qualifications, it was argued, one trading standards officer, rather than two, could visit a particular business and apply different areas of expertise simultaneously.

For animal health and welfare work, staff now typically visit about three or four farms or farming-related premises and/or a market per day, whereas in the past, they might have spent an entire day in attendance at a particular market checking on animal welfare. Much of the Animal Health and Welfare work is governed by statute – under

the Animal Health Act 1981 and the Animal Welfare Act 2006 (covering disease orders for foot and mouth, rabies and midges). But as well as farm inspections, trading standards officers also inspect livestock markets, abattoirs, renderers and animal hauliers' vehicles and handling arrangements.

Generally, the issue of the treatment of animals and their health and welfare is seen as a matter of considerable public interest and ensuring good standards of animal husbandry is a priority issue for many councillors and residents in rural areas such as this case-study. Traditionally, much intelligence on animal welfare has come from slaughterhouse veterinarians, but these days less information comes this way, probably a reflection of higher pressures of work. Nevertheless, any local intelligence from the vets is usually regarded as well-informed and helpful in indicating which farms to prioritise for visits. Other farmers are also a source of 'grape vine' information about problems on neighbouring farms. The recent horsemeat scandal has also brought to public attention the broader issue of food fraud and given fresh impetus to the arguments for greater diligence and scrutiny over the authenticity of documentation relating to cattle.

Turning to organisational issues, the merger in May 2013 of the trading standards teams of the two counties was reported to have proceeded very smoothly. A key trigger for the merger had been financial, and redundancies in both local authorities seemed inevitable. However, the merger avoided compulsory redundancies as sufficient savings were achieved through voluntary redundancies. Some staff also benefitted from new career progression opportunities created by the new larger structure. More than a year on, concerns about job losses have generally subsided and the sense of a single team has been steadily developing. The head of the merged service also has other council responsibilities, including overseeing adult learning, while four of the six team managers are each now responsible for larger numbers of staff than previously (in some instances for twenty staff, compared with less than ten previously). The first year following merger (2013-14) was treated as a transitional year, but since May 2014 the aim has been "business as usual" under the unified structure with a much leaner management and with all staff widening and diversifying their roles.

Table 11: Logic Model Data for Specialist Case-Study No. 3 – Animal Health and Welfare

<u>Inputs</u>	Number of FTE professional posts	8.65
	No of FTE support staff	<u>5.90</u>
	Total FTE staff	74.55
	Gross budget in 2014-15, excluding overhead charges	£3,413,000
	No of staff engaged in animal health and welfare activities – 45 as part of their role	

<u>Activities</u>	Checking farms, livestock markets, abattoirs, renderers, and sampling feed at farms, docks, mills and retail outlets.
<u>Outputs</u>	<p>Although no data was supplied, the following outputs were proposed:</p> <p>Farm premises inspected. Livestock markets attended. Abattoirs inspected. Animal feed samples taken.</p>
<u>Outcomes</u>	<p>Although no data was supplied, the following outcomes were proposed:</p> <p>Reduction in the number of farms found with problems of non-compliance in relation to animal health/welfare.</p> <p>Reduction in the incidence of movements of livestock without the required documentation/tags.</p>
<u>Impact</u>	<p>Although no data was supplied, the following impacts were proposed:</p> <p>Better animal health. Disease prevention. A healthier and better cared for livestock. Better animal welfare. Prevention of and reduction of livestock disease. Enhanced public confidence in standards of animal health and welfare and in the provenance and quality of meat products.</p>

Specialist Case-Study No. 4: Product Safety.

Product Safety has long been a key component of the trading standards portfolio along with metrology, food standards and animal health and welfare. However, as new priorities have come to the fore, for example, doorstep crime, scams, and age-restricted sales, the profile of product safety, and particularly product safety testing work, has slipped back somewhat. Moreover, as the range of products of particular complexity and sophistication has grown, and as the resources available to trading standards have become more scarce - with smaller budgets, less numbers of staff with the relevant expertise, and with only a limited amount of space and equipment for rigorous product testing, many councils no longer do much product-testing themselves, instead referring items to specialist laboratories and testing facilities as and when needed. That said, the specialism of product safety remains a key component of every council's 'public protection' responsibility and has also tended to

become associated with a rather broader agenda concerning ‘product quality’ with additional emphasis on the problems of counterfeit goods and ‘intellectual property’ (IP) which often also include safety issues.

This case-study was based on a trading standards department serving a geographically very extensive county – spreading for almost 6,000 square kilometres and with a population of more than 700,000. It is a department with an overall staff complement of just under 30 FTEs. But within this overall team, a subgroup of 5 staff (formed as a new team in April 2014) are now primarily focused on product safety and intellectual property (IP) crime. The team’s main work falls into four strands: a) responding to intelligence concerning product safety risks; b) undertaking market surveillance (and sampling and testing products on sale); c) using media channels to educate and raise awareness among consumers of the risks associated with unsafe/counterfeit products; and d) seeking to disrupt and stop the activities of those selling unsafe goods and those that contravene the regulations.

The council’s activities are driven through a series of ‘service plans’ (covering the period 2012-15 and which was refreshed in May 2014) – one of which is for ‘safer communities’; this being the heading under which trading standards is located. For each particular service a set of ‘operational delivery priorities and plans’ have been established and with each distinguishing between a ‘core’ (the must do’s), ‘strategic priorities’ (the should do’s), and ‘maintenance’ (the could do’s). For Trading Standards the pattern is as follows:

Table 12: Case Study 4 trading standards priorities

<p>Core: The Must Do’s</p>	<p>Duty officer. Highest risk visits. Complaints categorised as urgent by duty officer. Emergency planning response. Integrated Operating Model (IOM) - intelligence collection & reporting. Flare recording. Safeguarding. Attendance at cattle market. Appraisal, performance management, 1-2-1s. Licensing. Tasking. Freedom of Information (FOI) responses. Training & service days. Agreed formal action. Media. Funded work. Metrology paid work and internal traceability. Health & safety plan. Trading standards regional partnership work. Primary Authority and trader advice.</p>
<p>Strategic Priorities:</p>	<p>Alcohol, Tobacco, Legal Highs and Age-Restricted Sales Doorstep Crime and Scams</p>

The Should Do's	Safety and Intellectual Property Crime Financial Inclusion
Maintenance: The Could Do's	Animal health. Metrology. Food. Investigate complaints. High risk visits. Operational Group. Fair Trading. Packaging. Environment.

As can be seen, the subject of this particular case-study – product safety - (along with intellectual property) is included in the ‘should do’s’ (strategic priorities) category, although there are several elements within the ‘core: ‘must do’s’, that are also always likely to be relevant, for example, complaints categorised as urgent, safeguarding, and media.

The department has experienced a 40% cut in its budget since 2011 and so, inevitably, has had to prioritise much more carefully than in the past as to how it commits its resources. There is always much work to be undertaken in relation to counterfeit goods/intellectual property and this, as indicated, often raises concerns about product safety, for example, concerning the chemical content of look-alike branded cosmetics or the potential harms associating with the kinds of paints often used on counterfeit toys, or the fire risks accompanying illicit cigarettes (that may be counterfeit as well). In some instances the key issue for the team is counterfeit goods (large quantities of which are imported); in others it is product safety (e.g. risk of fire), and sometimes it is both.

Intelligence-gathering is crucial for success in this area of work, and the regional group of trading standards departments is important for the sharing of knowledge of problematic products, whether reported by a member of the public or found on sale by officers attending markets. Wherever possible, the approach taken in response to such finds is to ‘inform and warn’ – informing as many people and parties as possible (both through the trading standards information system and through more general media releases). Doing so, is always likely to promote more instances of consumer experience which in turn often generates further learning about the risks and harms involved. It was also suggested by staff that the ‘informing and warning’ approach would frequently be more effective in getting manufacturers to take responsibility for the problems, for example, by undertaking formal ‘recalls’ in response to safety issues.

Market Surveillance, Sampling and Testing

The team try to make at least one visit per year to each market and car-boot sale, which means, on average, at least a day per week ‘out and about’ for a trading

standards officer; often more so, as the market visits work is usually done in pairs for security and flexibility of response. A mixture of overt and covert visits are made to the markets depending on the outcomes that are sought. Sometimes trading standards department t-shirts are worn to signal a presence to the traders and consumers. But it is more usually through covert mystery shopping, in plain clothes, that counterfeit products are spotted. Quite often safety issues are apparent with some of the toys sold on markets – perhaps not ‘CE-marked’, and therefore not necessarily complying with legislation. In some such instances, traders may agree voluntarily to surrender the non-compliant goods, but in others, a formal seizure may be made, especially if there are labelling problems involved as well. Either way, a positive outcome is quickly assured, whereas pursuing a prosecution can be very resource-intensive and with a much less certain and delayed outcome. In many instances, too, traders are themselves perhaps unaware of their non-compliance; so ‘prevention’ (by removing the goods from further sale) often seems the most important and appropriate first step in the department’s ‘control strategy’.

Since 2008, the department has operated a ‘Markets and Car Boot (MACB) scheme in the local area but has recently been moving members over to the national scheme – the ‘Real Deal Market Charter’ initiative - that has been developed to promote markets and car boots admitting only traders who agree to trade fairly, safely and legally, and who sign up to comply with a specially devised code of practice. At the time of our visit to the case-study authority, some 19 markets and car boots in the local area had become signatories to the local initiative (and 28 to the national ‘Real Deal’ scheme – within the local area). Rather like ‘Trusted Trader’/‘Buy with Confidence’ schemes, the positive value in such initiatives was suggested to be in enabling shoppers to be more confident that the goods being offered would indeed be genuine, legal and safe. At the time of our visit, it was reported that 16 visits had been thus far made by trading standards officers to ‘Real Deal-registered’ markets, and while some non-compliance issues had been identified, these mainly concerned signage issues rather than the quality (safety or provenance) of the goods on offer.

With regard to product testing, trading standards officers may undertake basic ‘screen testing’ on an in-house basis, but, as indicated above, mostly the work is now out-sourced to specialist ‘test houses’ (mostly in the private sector) for more thorough investigations into safety and other compliance issues. In some instances, and particularly for counterfeit goods, there may often also be liaison with representatives of the (official) manufacturers of the product, since they will know best the important details to be inspected when dealing with copycat versions.

As well as the safety of products, the team also often has to deal with related safety issues arising from the installation of products. One example in this respect that was mentioned concerned the installation of a wood-burning stove – the stove itself being safe and fit for purpose, but the particular retail outlet supplying it, had also undertaken to install it which had made it unsafe. False claims were also made about authority to self-certify as a member of a trade association. Moreover, further

investigation of this case resulted in the identification of a history of serious faults on other installations and again of false claims about competence to do so.

Awareness-Raising and Education

These days the product safety/IP team is making increasing use of social media to publicise some of the problems they are encountering so as to raise awareness more widely, as well as issuing press releases on particular incidents from which there might be valuable learning for others (e.g. information on fire risks associated with certain brands of e-cigarette or the risks with some teeth whitening products). The team also regularly 'tweets' about incidents they deal with, and indeed have some 800 'followers'. Furthermore, working in conjunction with the local authority's 'communications team' the potential of local television and radio, as well as the local newspaper, is also regularly exploited in efforts to raise awareness and spread the word about some of the non-compliance and safety issues that have come to light (including a recent appearance on BBC Breakfast!).

Enforcement Actions and Business Advice

Decisions about enforcement actions are taken in relation to each particular situation and according to what is likely to be most effective and expedient. Prosecutions are rare because they are nearly always seen as a last resort after all other avenues have failed. One was, however, pursued in 2013 in relation to an unsafe electric charger unit (following a complaint from a consumer, three test purchases and safety tests). It was said that businesses generally want to be compliant, and that any problems with them are more often based on ignorance or oversight of changes made to particular regulations rather than on careless disregard. However, it was recognised that there continue to be a number of traders who, in pursuit of maximum profit, seem prepared to take risks and flout the law. Enforcement actions taken in such instances are likely to be more robust (e.g. a formal warning notice (10 had been issued to date in 2014) or a suspension notice (as in one recent case involving 'pet pillow nightlights' the labelling of which was non-compliant). With many other businesses where there is simply a lack of awareness of all the regulatory requirements expected of them, and where any non-compliance is probably inadvertent, the more appropriate enforcement response was generally felt to be more advisory in nature. Indeed, it was pointed out that many businesses actively turned to trading standards for advice and, indeed in the six months April-September 2014, some 24 such requests on product safety had been received by the team from local businesses.

It was also suggested that many of the problems emanate from wholesalers and importers, and that the control strategy needed particularly to target the ports and other places of entry to the local area and wider country. While the department has in the past held a list of importers and wholesalers for this purpose, these days, with

so much importation being direct and involving the internet (thereby missing out the 'wholesalers') it was felt to be much more difficult to be effective in preventing counterfeit goods reaching the markets. Simply closing down one E-Bay account, it was pointed out, invariably led to others being opened.

Some of the work, it was said, tends to be seasonal (for example, some of the markets in tourist areas in the summer and fireworks in the autumn). Also emphasised was the significant amount of follow-up work after a visit and enforcement action at a particular market or other trading site. Often significant here is the time-consuming work of trying to trace the source of the van-load of counterfeit goods that has been seized – mostly, we were told, without the co-operation of the trader in question. And with such cases arising all the time, backlogs inevitably build, with several different investigations being underway at any one time and at different stages of progression. In the five months immediately prior to the case-study visit, for instance, some 144 product safety complaints and a further 64 intellectual property complaints had been received, with many investigations being commenced as a result. There had also been visits to 112 different trader premises, which again generated much follow-up case-work and investigations.

Intelligence and Information Management

The case-study also highlighted some significant issues concerning information management, and particularly the handling of administrative tasks and the paperwork involved in light of visits and investigations. Some team members expressed the view that trading standards officers these days were having to spend too much of their time on routine paperwork, data-inputting and other administrative tasks following a visit, and felt that much such work could be more economically undertaken by clerical support staff. Others, however, were more doubtful as to the feasibility of simply passing such administrative duties on to others and wondered how much time would need to be spent instead on briefing the clerical staff and checking their work afterwards, given the importance of accuracy in record-keeping and the technical nature of much of the work.

But there was general agreement on the scope in trading standards for more 'agile' working, for example, through direct electronic inputting of information and with less paper form-filling and note-taking during visits and inspections. There was also agreement on some key shortcomings of the available IT system (Flare), not least because it is 'premises' rather than 'incident', based. The 'evidence-booking system' was also singled out for critical comment, as being unwieldy and for which an IT solution was felt to be long overdue. An obstacle that was emphasised here, however, was the relatively small size of most trading standards departments meaning that commissioning better systems to address such inefficiencies was likely to be unaffordable. In this respect, it was generally felt that some of the solutions probably needed to be addressed at regional or national levels to be economically viable.

Table 13: Logic Model Data for Specialist Case-Study No. 4 – Product Safety

<p><u>Inputs</u></p>	<p>5.0 FTE staff</p>
<p><u>Activities</u></p>	<p>Inspections, safety testing, Intellectual Property (IP) testing and investigations. 144 product safety complaints and further 64 intellectual property complaints had been received. Visits made to 112 different trader premises.</p>
<p><u>Outputs</u></p>	<p>Visits to markets and car-boots: 16 Advice provided on request to businesses re product safety: 24 times Sampling and testing of the safety of products: 5 Suspension Notices issued:1 Seizures of Unsafe Goods for destruction: 751 items Prosecution reports:1 Warning Notices issued:10</p> <p>Promotional activity including regular tweets, Facebook entries and information on website. The use of the media to ‘inform and warn’ also forms a large part of the preventative work undertaken.</p>
<p><u>Outcomes</u></p>	<p><u>Public protection from dangerous products</u> Saving of accidents by the removal from the market place of consignments of unsafe goods. Data not available on the number of seized goods from markets and therefore the level of potential harm avoided.</p> <p><u>Public confidence in the safety of the products on sale</u> Increased confidence that the goods offered for sale will meet the appropriate safety standards and do not represent a hazard or risk to personal health and wellbeing. Data not available on public confidence in the safety of products on the market (e.g. from survey responses).</p>
<p><u>Impact</u></p>	<p><u>Public protection</u> Reduced potential for accidents occurring because of unsafe products reaching the market (though no data available).</p> <p><u>Fairer trading for legitimate businesses</u> A level playing field for those seeking to trade legitimately by the removal of unsafe and counterfeit competitors from the market (though no data available).</p> <p><u>Public confidence in the safety of the products on sale</u> Increasing public confidence that the goods they purchase are of the quality to be expected and can reasonably be expected to be safe and compliant with regulatory standards (though no data available).</p>

Specialist Case-Study No. 5: Metrology.

Metrology has always been at the core of Trading Standards activity – nearly every item traded involves some aspect of measurement of scale or weight. As one officer said ‘Metrology is the foundation of the local economy’.

A National Weights and Measures Laboratory report (the Enforcement of Weights and Measures, 2008) quoted research by the National Consumer Council (NCC) which indicated that consumers’ main concerns around weights and measures are the measurement of high-value goods that they cannot easily check themselves (for example petrol), and businesses that take a greater share of their weekly spend (such as supermarkets and petrol stations). Consumer confidence in weights and measures in the UK currently is very high. Consumers have an innate trust that someone, somewhere, although many are not sure who, makes sure weighing and measuring equipment is correct, stays correct and that they are protected from receiving short measures. Consumers’ perceptions are that weights and measures inspections take place far more frequently than they do in reality.¹⁷

The particular department chosen for this case-study was selected because of its long history of expertise and service in metrology, reflecting the long-time existence in the local area of a major UK manufacturing business specialising in weighing equipment. The trading standards department maintains its own metrology laboratory at a time when many others in local government have been surrendered because of the high costs of maintaining/replacing the equipment involved. However, the department here has also developed a strong line in revenue generation based on its expertise and its UK accredited status (UKAS) for metrology. As such, it undertakes a considerable amount of contract work both for private businesses and for other local authorities which more than affords the specialism and helps to support financially the wider portfolio of trading standards work. A result of this, however, is that the local authority’s corporate budget challenge is such that it expects any additional revenue generation from the contract metrology to be used to finance reductions in the overall revenue budget for the department. A further issue is that the metrology equipment budget (some items of which cost many thousands of pounds to replace) has to be purchased from the revenue budget, so creating great difficulties if and when something breaks down and needs replacing.

There are, then, very clearly two sides to the department’s metrology work – ‘legal metrology’ on the one hand (a traditional responsibility for local authorities as the ‘Local Weights and Measures Authority’ and for which a Chief Inspector of Weights and Measures must be appointed to maintain the standard measures and testing equipment), and on the other, the ‘accreditation’ work (which is primarily contract-based). The department has adopted the primary authority scheme and currently has 7 primary authority businesses with a number of others in the process of joining

¹⁷ National Consumer Council, *Measuring Up – Consumer Perceptions of Weights and measures Legislation*, July 2006.

(for which there is a joining fee of £195). All businesses based in the borough, including those primary authority businesses, receive three hours free advice per year, after which they would be expected to join the primary authority scheme (in which advice is currently charged at £65 per hour).

The department no longer undertakes the programme of routine inspections of petrol stations and weighbridges, as happened until just five years ago. There are no longer the resources to support such a programme (that would have to cover some 80 filling stations and over 70 weighbridges). But the department also made the decision to cease such inspections on the basis that:

- From an assessment of the complaints they had previously dealt with, none had been substantiated.
- There was no intelligence that there was any systematic fraud taking place by short measure in the trade sector.
- If any such intelligence did become available they would identify it through the Strategic or Tactical Assessment process.
- Technically modern equipment is more reliable than ever before and therefore less prone to error.
- Most large forecourt operators will carry out their own regular checks.

The UK Weighing Federation Weighbridge project in 2011 found that 25.5% of weighbridges were outside their legally allowable tolerance. While the department no longer has a budget to hire a weighbridge unit, if there is any specific intelligence about particular weighbridges, then a response would be prioritised.

At the time of our visit there were a total of 22.51FTE officers in the trading standards department as a whole, but this has followed a 38 per cent reduction over the past five years. 7.27FTE staff are qualified in metrology, but of those, just 0.66 FTE of that complement is exclusively dedicated to weights and measures work, supported by an additional 1FTE who is a metrology technician. At times of high demand those 1.66 staff are also supported by other members of staff, predominately those who are metrology qualified.

The department has been carrying out a time management survey to quantify more precisely how much time is spent on metrology (both 'legal metrology' work and scientific contract work) and this will assist pricing and costing work in relation to the growing amount of contract work. Currently the estimate is that 'legal metrology' work takes up around 5% of a weights and measures officer's time.

Like all the trading standards departments we have visited, there has been a general move in this case-study department from proactive inspection-based approach to a more intelligence-driven one. In addition to the arguments cited above that support such a move is the fact that there is much less selling by weight in the retail sector these days (because more items are packaged). Indeed, most of the work for the department these days is at the larger scale, where deliveries of raw materials are involved. Cases of mis-selling by weight in the retail sector were said to be comparatively rare these days, although one particularly serious case from 2011 was

described to us, in which a greengrocer was prosecuted for exploiting customers by fraudulent use of the scales at the counter. In this case, the display on the cash register had been concealed and the keys blanked out so that it was impossible for the purchaser to see the unit price being tapped into the machine as the produce was being weighed. Following public complaints, six test purchases were made at the premises and the case was successfully prosecuted, for which a fine of £1,700 plus costs was imposed (amounting in total to £4,215). While the department applied for all its costs to be met, the court did not agree to full funding, being concerned to limit the overall cost of the sanction to the defendant. Unsurprisingly, such outcomes tend to serve as something of disincentive to prosecution as an enforcement method for trading standards departments, and in this case-study, like most of our twelve, other possible remedies are generally preferred and considered both less time-consuming and more effective.

As indicated, legal metrology now occupies a relatively small part of the overall time of staff in the department – perhaps just 10 per cent, according to one such member of staff (who also leads on age-restricted sales). Much of the inspection work is also now undertaken in combination with food standards and labelling work (by checking the scales at the high risk premises on the same visit). Like many trading standards officers who were interviewed in this research, the instincts of the metrologist in this case-study were that compliance problems were likely to become more prevalent as inspections had become less frequent. “If we are not out there looking, the problems will get worse for sure”. The same officer also articulated doubts about the ‘business friendly’ approach of the primary authority scheme and the risk of loss of independence in the regulatory process. He saw the value of general inspections, particularly if unannounced, in “letting traders know that the service is looking”.

Yet while proactivity through routine inspections has been made more difficult with the current much tighter finances, the metrology work of the department is still strongly valued and supported by elected members, who welcome every opportunity being taken to use the local media to publicise the successes the department in addressing trading problems that create detriment for local residents.

Table 14: Logic Model Data for Specialist Case-Study No. 5 - Metrology

<p><u>Inputs</u></p>	<p>There is a complement of 1.85 FTE staff dedicated to metrology. There are also weights and measures inspectors within the operational teams and they support Metrology when required. Estimate is that this takes up only 5% of their time.</p> <p>The department has to be income generating and cover their operating costs of the verification/calibration service.</p> <p>The department is carrying out a time management survey to quantify how much time spent on metrology. Currently the estimate is that weights and measures work takes up around 5% of a weights and</p>
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	<p>measures officer's time.</p> <p>Due to the economic situation metrology income has been under pressure, however the authority is looking to maximise income and a piece of work is currently being carried out to identify how the long term future of Metrology can be secured and income maximised.</p> <p>A major resource is the cost of equipment, there is currently no contingency budget should any equipment breakdown.</p>
<u>Activities</u>	<p>Between 2011 and 2014 47 weights and measures related complaints were made to the department. Of these:</p> <p>25 resulted in the trader being investigated/ advised. 15 required no further action. 1 was referred. 6 received other responses.</p>
<u>Outputs</u>	<p>Last prosecution under the Weights and Measures Act: Following public complaints, six test purchases were made and the case successfully prosecuted for which a fine of £1,700 plus costs plus victim surcharge was imposed (amounting in total to £4,215). The cost of prosecuting the case for the department was £3,795 and £2,500 costs were repaid by the court.</p> <p>The authority received an exemption request from keeping records under the Weights and Measures Act 1985, from a well-known supermarket. When carrying out checks to see if the exemption should be granted it was found that the store was falsifying the records and another store was using an inaccurate and unstamped scale. The request was refused. The Home Authority was notified and the matter was subsequently addressed by the supermarket and the exemption was granted. The supermarket was brought into compliance.</p>
<u>Outcomes</u>	<p><u>Fairer pricing for consumers, businesses and public sector agencies</u></p> <p>More consumers obtaining fair measures of the products that they have paid for: Data not available on the number of sub-standard measures traded, though depending on the frequency of checks, likely to be substantial. In relation to weighed items of food or spirits sold in licensed premises, for example, any short measures will impact disproportionately on those with lower incomes, as such items are likely to represent a relatively large fraction of the family budget.</p> <p>More businesses receiving fair payment for the measures they have served: Data again not available on the value of under-charged measures as a result of under-calibrated equipment</p>

	<p>More accurate tax payments and yields: e.g. excessively calibrated weighing equipment at landfill sites, transfer stations and recycling centres means local authorities pay more than they should – thus wasting money, and at a time when they are facing huge financial pressures because of austerity.</p>
<p><u>Impact</u></p>	<p><u>Enhanced consumer confidence in the market.</u> Specific data not available, but more often than not, consumers are unable to know if the measure of a product they have been served is accurate and fair. But if they know that the equipment is regularly tested and validated, there will be greater confidence in the market.</p> <p><u>Positive effects on competitiveness, especially for small businesses.</u> Inaccurate weights and measures equipment is likely to have an impact on competitiveness, particularly for small businesses in the retail food and petrol sectors.</p> <p><u>Positive effects on personal health.</u> Inaccurate scales and other weighing equipment in health centres, hospitals or pharmacies can have negative health effects, particularly if the inaccuracies result in wrong dosages of medicine and drugs being compiled and administered.</p> <p><u>Protecting infrastructure.</u> Overloaded lorries, as a consequence of misleading weighbridge measures, are likely to increase wear and tear on road surfaces and bridges which in turn requires higher expenditure on road maintenance.</p>

Specialist Case-Study No. 6: Doorstep Crime

This case-study is from one of the larger borough councils, both by geographical area (8,650 hectares) and by population size (330,587 people). The borough has a sizeable commercial centre, with fairly very extensive retail and office floor-space. But it also has quite a high proportion of older people, with the over 75s cohort comprising some 6.1 per cent of the overall population. The borough's community strategy (for 2013 -2018) cites as its three top priorities: 'A better borough'; 'protecting vulnerable people' and: 'taking responsibility'. The second of these is particularly relevant to trading standards work on doorstep crime and rogue traders.

Following three successive years of budget cuts, the council's trading standards department is now quite small, comprising just 5.8 FTE professional posts plus 1 FTE in a supporting role. There is one trading standards officer who is specially qualified in weights and measures work, while the other professional staff are all

graded as 'fair trading officers'. Three years ago there were 12 staff and, going back quite a few more years, the team was some 30 strong.

In the most recent cuts, the council's chief executive did what he referred to as a "deep dive" and, after comparison with other similar boroughs, decided to halve the staffing levels. As a result, the borough now has a relatively high number of residents per trading standards officer. Moreover, these days, the department is headed by a licensing specialist rather than someone from the trading standards profession.

As a result of the budget cuts, the department has had to think hard about its priorities and has felt the need to withdraw from a number of previously active areas of work. These days, the department's priorities are: a) doorstep crime, b) community safety (sale of age-restricted products - knives, alcohol, tobacco, fireworks) and c) product safety and intellectual property. While age-restricted sales issues are pursued proactively, principally through test purchases (and with alcohol and tobacco being considered important because of the links with the public health agenda), product safety work these days is confined to responding to complaints and intelligence reports. Other traditional areas of trading standards work, such as motor vehicle sales and consumer advice, are now generally treated as low priority.

The choice of doorstep crime as highest priority in trading standards particularly reflects, as indicated, the large number of older people in the borough – it being a council-wide priority to look after older people well. Unfortunately, doorstep crime is widespread and prevalent in the area and the police are giving it less attention than many feel it deserves. Typical victims that are targeted by rogue traders in this respect are the very elderly living alone and therefore socially isolated, and who perhaps also suffer from some loss of mental capacity. Often the process of becoming such a victim can itself be very harmful and it was pointed out that it is not uncommon for such people to end with on-going health problems, hospitalisation and shortened lives as a result of a bad experience with a rogue trader, perhaps having lost significant amounts of money by being duped into purchasing services they did not need or want, and paying too much. For some victims, such experiences can be disastrous because the bills for services eat into their very limited life savings. But many others are quite well-off financially, as retired professionals, living in relatively expensive houses – and indeed, are often targeted precisely because they seem likely to be affluent.

Such rogue traders usually present themselves as professionally plausible – suggesting, for example, that "they are working in the neighbourhood; they have noticed one or two slipped tiles; they are aware that stormy weather is forecast; and that the roof needs urgent attention if bigger problems are to be avoided". Distraction burglars and doorstep criminals often work together. .

The local authority has a 'vulnerable adults' team' within its social care department to whom the trading standards team will often refer victims. The team will also often direct victims to Victim Support and also to their "Staying Put" programme (through

which repairs and other visible home improvements can be made, such as tidying up the front garden to make the property seem less noticeable to rogue traders).

Repeat victimisation is not uncommon – during the case-study visit we heard about one individual – a former senior civil servant - who had lost a total of £92,000 over a number of months, and indeed, that it had been his bank which had first contacted trading standards with their concerns about what might be happening at his address. In this case, the culprits were eventually apprehended and the case went to court where it emerged they had previous convictions for kidnap and for murder. In this case, as in many, victims explained their victimisation as a consequence of their fear; “I was just too frightened to say no”. In another case that was relayed to us, the victim opened the front door to two men in fluorescent coats who asked to leave equipment in the front garden, and for which they requested a bond of £8,000 to ensure that it was kept safe. We also learned of an elderly lady who had succumbed to doorstep traders offering to redecorate her property, and how she swore at the trading standards officers and told them to go away when they called, in response to a tip-off about organised criminals at work in the neighbourhood, to check what was going on, having seen a white van outside. But much later it was revealed that the lady had been persuaded to sign her house over to the traders; was subsequently evicted and ended up in social housing.

Although further significant budget cuts are likely to be made in the coming financial year in this case-study local authority, the work on doorstep crime and scams such as these is expected to continue. However, it was explained that capacity for such work is quite limited – the team perhaps only able to respond to a single case per day – and with little opportunity for proactive work in community education and initiatives to promote the risks of door-step trading and how best to respond (which we were told was particularly cost-effective). While staff knew that the number of reported cases and complaints about doorstep trading had been rising, the view of staff was that levels of unreported victimisations were probably a great deal higher still.

That said, the department hopes to continue to participate in “National Rogue Trader Day” – on which occasion each year the team distributes leaflets and knocks on the doors of older people to alert them to the risks and how to respond. This, we were told, can always be guaranteed to be one of the quietest days in the year for doorstep crime.

The team also liaises with a range of partner organisations with shared safeguarding interests, such as GPs and pharmacists, as well as running ‘awareness courses’ for other personnel who for legitimate business reasons frequently make doorstep visits, such as milk deliverers, post staff, podiatrists, hairdressers, social care staff, lunch-club teams and the like. Regular liaison is also maintained with the seventy bank branches within the borough, since, in many instances, the banks will be first to know of a potential problem of this nature when an unusually large withdrawal is made to the account of a client known to be vulnerable. We learned, indeed, that the council

now offers a certificate to bank cashiers if they report any such suspicions in this respect.

Overall, it was suggested that around 60 per cent of the doorstep crime work is reactive and the other 40 per cent proactive, although there tended to be more reactive work in the summer when itinerant rogue traders are generally more active.

Table 15: Logic Model Data for Specialist Case-Study No. 6 – Doorstep Crime

<p><u>Inputs and Activities</u></p>	<p>There are broadly two types of inputs by trading standards officers in relation to doorstep crime – preventative and proactive, and reactive. In our case study authority, much preventative work was done in partnership with General Practitioners, Pharmacists, delivery workers for milk and post, Neighbourhood Watch, Lunch Clubs, and Women’s Groups. The authority works with banks in its area, which are an important source of information in cases where an older person is paying large sums of money for services such as bogus roof repairs. Banking cashiers receive a certificate after having received training and results have been good. The authority believes it does more reactive work than proactive work, especially in the summer, where the ratio might be 60:40.</p> <p>Reactive work generally involves a call-out or visit to a victim and the taking of a victim statement and referral to the Older Adults’ Team. The authority has a detailed checklist of actions to take when they receive a doorstep crime referral. There is only capacity for one call-out per day. The authority may prosecute in some cases.</p> <p>The work involves the input of time from staff with the necessary skills and knowledge. In our case study there is one member of staff with specialised knowledge. The authority also provides office accommodation. The department used to have a van, but that has been cut.</p>
<p><u>Outputs</u></p>	<p>The outputs of doorstep crime interventions by trading standards officers involve proactive partnership work towards raising awareness of doorstep crime with partners and potential victims. Reactive outputs include visits to victims and liaison with the Older Adult’s Team, and taking some cases to prosecution.</p>
<p><u>Outcomes</u></p>	<p><u>Less doorstep crime</u></p> <p>Reduced incidence of doors-step crime with consequent increase in peace of mind and health improvements for those most vulnerable to this form of exploitation: Data not available on the change in this respect over time.</p>

	<p><u>Increased awareness within the community of the problem and their avoidance.</u></p> <p>Increased awareness within the community (and also among those who can offer support such as banks and GPs) of the problem of doorstep crime. Again, data not available to indicate the extent of such increased awareness.</p> <p>Stronger alertness towards community safety in general and understanding of the vulnerability of older people to pressure selling and scams and greater willingness to report incidents to the police. Data not available to indicate the extent of such stronger alertness.</p> <p>Greater confidence among those at risk to refuse to open the door to, and interact with, doorstep sellers. Again, data not available to indicate the increase in confidence in this respect.</p>
<p><u>Impact</u></p>	<p><u>Enhanced community safety.</u></p> <p>Promotion of a stronger sense of public safety; of alertness to the problem and how to minimise the risks (though no data available).</p> <p>Promotion of a stronger sense of neighbourliness and responsibility to protect the vulnerable (though again no data available).</p>

Specialist Case-Study No. 7: Age-Restricted Sales.

This case-study is based in a fairly large city council area in northern England that serves a population of about 240,000.

The council's corporate priorities are

- A growing city - connecting people to opportunities
- A caring city - protecting the most vulnerable
- An innovative city - reforming public services
- A co-operative city - communities working together

Like, most others, the council has been subject to significant government grant reductions and, as a result, between 2010 and 2014, some £97 million has been cut from the annual budget and with a further £75 million cut planned between 2014 and 2017. In such a climate, the general philosophy that has developed within the authority has become a questioning one - along the lines of "If you are not making a difference to those who are paying the bills, why are you doing it?"

On age-restricted sales, although the legal position could perhaps be clearer, the police and trading standards officers are able to use young people to assist them in test purchasing exercises. Within the trading standards department there is, indeed, much experience in this respect, with the practice generally working well particularly

for alcohol purchases¹⁸. When test purchasing was first introduced, the non-compliance rate identified was around 60-70 per cent. Enforcement crack-downs succeeded in bringing the rate down today to between 10 and 20 per cent and a clear relationship has been recognised between high compliance in this regard and lower rates of anti-social behaviour. The department also checks 'off-sales' of alcohol while for 'on-licensed' premises the work is normally undertaken jointly with police in plain clothes.

Enforcement is sometimes quite difficult if an age-restricted sale is made not by the retail business owners but by other members of their families or friends – perhaps minors themselves – who might equally be seen as 'victims'. In such contexts, trading standards officers now prefer to follow the local police approach of imposing fixed penalties (£80), this seeming to be more cost-effective than prosecutions. At the same time, however, investigations are made to establish whether each such business owner takes reasonable precautions to avoid breaches of the law in this respect – such as keeping records of instances of 'refusal to sell'.

When the Licensing Act 2003 came into force, this set out four licensing objectives.

1. the prevention of crime and disorder,
2. public safety,
3. prevention of public nuisance, and
4. the protection of children from harm

All incoming licence applications are reviewed by trading standards officers (who can register objections if they wish) and, as part of the process, applicants are required to explain the arrangements they intend to have in place to support the above objectives. The licensee is obliged to comply with the arrangements they have set out in their application – for example if they have stated that they will maintain a 'refusals register' they are expected to do so. That said, the department is conscious of the need to avoid imposing unduly heavy compliance burdens on businesses and will often speak informally with applicants to suggest acceptable but less onerous conditions as amendments to their applications - the objective of trading standards being to reach an amicable agreement on workable arrangements.

The 2003 Licensing Act identified responsible authorities – the Police, Trading Standards, Environmental Health, Planning, the Fire Service and others¹⁹. The department in this case-study established responsible authorities' meetings which are held every two months, with each such agency, bringing in others (e.g. the borders agency and child protection officers) as necessary. From discussions in such meetings, one aim is to identify the premises of concern to more than one responsible authority, for example, a public house that is poorly run, with a poor track record of under-age sales, and perhaps also attracting problems of rowdiness or perhaps a fire safety risk. If Trading Standards submit an application to review a

¹⁸ Although see (Croghan et al., 2005)

¹⁹ A full definition of responsible authorities is given in s. 69 (4) of the Licensing Act 2003
<http://www.legislation.gov.uk/ukpga/2003/17/section/69>

licence they encourage local residents also to submit representations at the hearing; since the Licensing Act identifies them as 'interested parties' to any licence issued in their locality.

The department also operates a “responsible retailer” scheme called, “Have the Bottle to say ‘No’”. This scheme was introduced with the intention of giving confidence to residents and adult customers that trading standards and partners are seeking to tackle the issues of underage sales and proxy sales (sales to adults passing on to underage persons). The initiative has also had positive effects on the longstanding problem of local youths often bringing pressures to bear on local shops to sell them alcohol despite the age-restriction. There are also opportunities for retailers to undergo training programmes under this scheme. Furthermore, the department has introduced a voluntary scheme in which shopkeepers may undertake to do certain things under the ‘Challenge 21’ framework. For example, premises might undertake to keep a refusals book in return for the department providing window stickers warning ‘Don’t bother coming in here for illegal sales’ and stocks of leaflets on the regulations on age-restricted sales. The purpose of the window stickers, which we were told are generally quite effective, is to give confidence to adults to refuse to buy age restricted products for children who might approach them. It was also pointed out that customers were more likely to avoid the local licenced premises which tended to attract groups of youths if fearful of being intimidated into acceding to purchase alcohol for them. A significant number of traders have indeed signed up to the scheme and no such businesses have been found subsequently to have breached the rules. As a result, the department is now able to concentrate effort on other, more problematic, premises and so use its resources more effectively and efficiently.

Other age-restricted products/services for which the department is the regulatory authority include tobacco, tobacco products, solvents, use of sunbeds (where there is an over 18 restriction) and knives. Generally these restrictions are enforced by trading standards, and in this case-study area the police generally enforce only in relation to tattoos, offensive weapons and firearms. By local agreement the department enforces in relation to under-age sunbed use, whereas in other local authorities this work is often undertaken by environmental health officers.

With tobacco, a key problem is illicit materials, and the department has access to sniffer dogs to track down stashes. Counterfeit cigarettes (mostly imported from China) may also have the additional problem of the health warning not being in English. Here the department’s work is regarded as being motivated primarily by a public health concern and is treated as part of a wider anti-smoking initiative.

The local authority has been one of a number of pilots for a Home Office initiative “Extending Our Reach” initiative (Home Office, 2009). Rather than, as more typically the case in local governance, of looking mostly to the police to combat organised crime, for example, in relation to illicit tobacco and alcohol, the aim of the local pilot here - named ‘Project Gulf’ - has been for a multi-agency approach to

harassing and disrupting illegal traders. This is regarded as having been successful particularly because of the inter-agency working and by the partner agencies being able to call on the resources of a specialist police unit when needed in addressing the problems of organised crime in the area.

The department also takes part in a regional survey of 14-17 year olds conducted every other year to collate data on drinking and smoking habits and which includes questions about access to age restricted products. To date, four schools in the area have confirmed their intention to participate in the next survey (early in 2015) which provides a sample of some 850 young people in the area.

These days, the department prioritises project work such as these, rather than setting itself target number of premises to inspect. Overall, the work is now much intelligence-led and focused on the priorities of the council as a whole. For example, this year the department was awarded additional funding to enable it to inspect sunbed shops as the use of tanning salons by young people had been highlighted as a particular public health concern by local councillors.

Table 16 - Summary Data for the Logic Model for Specialist Case-Study No. 7 – Age-Restricted Sales

<u>Inputs</u>	Trading standards officers involved in Age-Restricted Sales: Precise numbers difficult to estimate
<u>Activities</u>	<p>The area includes 240 off-licenses and approximately 120 in-licence pubs</p> <p>There are also licensed restaurants (which are categorised as low risk). Off licenses tend to be more high risk than on-licenses with regard to under age sales.</p> <p>Independent stores are targeted more highly than supermarket chains. Excluding supermarkets, there are 174 businesses for which age-restricted sales apply.</p> <p>“Have the Bottle to say ‘No’” initiative has 121 members.</p> <p>The Department aims to conduct 100 test purchases this year.</p>
<u>Outputs</u>	Regular test sales carried out. Fireworks inspections.
<u>Outcomes</u>	<p><u>Improved health and well-being for young people.</u></p> <p><u>Reduced access for under-age young people to alcohol, tobacco, fireworks and other dangerous and health-damaging items:</u> Data not available on the numbers of young people denied</p>

	<p>access as a result of trading standards interventions (e.g. with mystery shoppers).</p> <p>Alleviation of some of the pressures on hospitals A&E departments of excess alcohol cases by under-age drinkers: data not available on the numbers involved and on the effects of trading standards interventions on the number of hospital admissions etc.</p> <p><u>Fairer competition for all businesses.</u> A 'level playing field' for businesses selling age-restricted items: Data not available on the effectiveness of trading standards departments in achieving compliance among all traders.</p> <p><u>Significant reduction in complaints regarding underage sales.</u> (though no data available)</p>
<p><u>Impact</u></p>	<p><u>Better health and improved life expectancy through desistence in relation to alcohol and tobacco at a young age.</u> Reduced incidence of health problems from alcohol among young people (though no data available).</p> <p><u>Enhanced parental confidence.</u> Enhanced confidence among parents and others in positions of responsibility (e.g. teachers), that access by their young people to health-damaging products is indeed properly restricted (though again no data available).</p>

Specialist Case-Study No. 8: E-Crime

The choice of a trading standards department for a case-study on e-commerce and e-crime was based on self-reported 'strength and expertise' in this area of work, and certainly the research visit confirmed that the selected department is operating in the vanguard of good practice in this respect. Indeed, it is proactively working to improve compliance levels as well as responding to complaints and other intelligence by disrupting, discontinuing and deterring non-compliant trading and, wherever possible, seeking redress for consumers who had suffered detriment as a result. In addition, however, the particular case-study was of interest because the local authority covers a particularly extensive, sparsely populated, and predominantly rural area in which the internet is vital both for businesses and for consumers simply because of the very large distances separating most people from the main centres of trade and commerce. With such high levels of dependency on e-commerce, the need for high levels of protection from e-crime would seem especially important.

The Workload

The scale of potential workload in relation to e-commerce and e-crime is almost impossible to gauge and is, as indicated in chapter 3, developing rapidly. A small sample survey²⁰ conducted in 2013 by a group of trading standards departments reviewing just 220 websites found high levels of non-compliance in various respects, with 7 out of 10 of the sites examined meriting further investigation or action. More than half the websites visited failed to mention the entitlement to a full refund in the event of a purchase being properly cancelled, and more than 2 out of 5 failed to inform prospective purchasers of their statutory right to cancel. Furthermore, at least 1 in 4 was illegally deducting delivery charges from the refunds when unwanted goods were returned. Also of concern was the fact that 1 in 5 was adding unexpected surcharges late in the buying process. The frequent incidence of such problems found in the survey certainly suggests that there is a huge volume of work to be done in regulating E-Commerce.

And the growth of 'M-Commerce' (trading via mobile phones) is adding to such problems because the small screen format of such phones may mean that key information (e.g. about terms and conditions) that is supposed to be prominently displayed, may well be off-screen to the mobile-using consumer/purchaser. As indicated, a further challenge is the 'perishability' of many websites – sometimes deliberately – leaving purchasers with little prospect of follow-up or opportunity for seeking redress if dissatisfied with their transactions (assuming the goods arrive). Assessing the potential workload involved in regulating 'S-Commerce' – i.e. selling through social media networks – presents even bigger challenges because of the difficulties in tracking and connecting into the networks where many of the sellers tend to do their business.

In this case-study, a special project that was highlighted, and that had been undertaken in 2012/13, focused particularly on 'internet delivery charges' - an aspect of e-commerce that has, we learned, generated many complaints from on-line consumers (including from several businesses). The project involved an on-line survey to gather experiential evidence from consumers and, from the responses, it was found that most complaints related to a) false claims of 'free delivery', b) late additions of delivery surcharges, and c) disproportionately high delivery charges. In a follow-up stage to the project, trading standards officers contacted as many as possible of the website operators involved to seek changes to the unfair practices and, in collaboration with a number of other agencies, launched a publicity campaign specifically about delivery charges.

Out of 181 businesses criticised in the project survey by consumers for their internet selling practices, 60% (109) were found to be in breach of one or more of the

²⁰ available online at: <http://www.scotss.org.uk/pages/scotssip.pdf>

Consumer Contracts Regulations 2013, and to the extent that full investigations were considered necessary. In relation to the other 40% (72), the non-compliance issues were found to be relatively minor and were dealt with simply by providing guidance. Happily, most of the businesses that were then contacted about their non-compliance (some 79 of them) responded positively and made the necessary adjustments and amendments to their websites. This included 20 retailers who opted to remove their delivery surcharges altogether. In a further 20 cases, however, trading standards officers decided either to refer the cases to the 'home authority' or 'primary authority', or to undertake further investigations.

One conclusion from all this, then, is that much success can be achieved in improving compliance rates in on-line trading simply by following up on consumer complaints with 'contacting' interventions. On the other hand, the case-study also highlighted the considerable challenges and time-consuming work involved in pursuing the minority of traders with less interest in compliance and, because their business activities are seemingly driven more by determination to exploit and defraud, and they would likely as not go to considerable lengths to conceal their sources and identities. As well as trading counterfeit goods and other such fraudulent selling, such activities might also include on-line credit scams (in which consumers would typically be asked to pay a sum up-front to become eligible for a 'loan' – but a loan that might never materialise). In such cases, trading standards officers often need to explain the rights of victims to apply to their credit bank to redeem the lost money – this facility seemingly not being as widely understood as it should. More than this, however, with the appropriate training and experience, as in this case-study department, officers are usually able to get offending websites taken down by contacting the hosts or registrars and drawing their attention to the breaches.

The Resources

An estimate was made of the total staff time within the case-study department being devoted to the regulation of e-commerce and addressing e-crime. This amounted to 2.35 full-time equivalent (FTE) staff, and with total staff costs of around £95k (salaries plus national insurance and superannuation etc.). The tasks involved here mainly relate to time spent on a) investigating scams; unlicensed credit brokers; and online counterfeit sales etc. (often with the aim of getting websites taken down); b) investigating social network-based counterfeit and other illicit goods sales, online trading compliance issues (including contacting traders to seek compliance in relation to the clarity of delivery charges and specification of consumer rights etc.), c) seeking regulatory compliance of on-line advertising by local high street retailers and local service providers, and d) managerial/supervision and oversight of all such work.

As in some other, but by no means all, local authority trading standards departments, the case study department has use of a 'stand-alone' PC which is loaded with special screen reading/recording software for evidence-gathering (notably Camtasia,

Snag-it, Adobe Acrobat and HTTrack). The local authority's legal and IT teams needed much persuading to sanction the purchase and use of such a computer, independent from the council's network and running such specialist software. Similar security concerns also beset the request to acquire and use a 'non-council registered' credit card for use in 'test purchases' when investigating possible e-crime. However, the arguments were eventually accepted that these were indeed essential requirements for effective covert investigative work and to enable trading standards officers to access and 'befriend' those selling through social media such as Facebook to identify, disrupt and thwart the trading of counterfeit and other illegal goods.

The annual budget of the department for operating and maintaining such equipment, and including allowance for software updates and for staff training (to keep up to date with the fast-developing nature of internet crime) was calculated to be around £2,000. The department also holds a small annual budget for test purchases of circa £5,000. So taken together, the total cost (of staffing, equipment and other operational costs) for regulating e-crime activity in this case-study department in 2014-15 has been estimated to be about £102,000.

Regulatory Processes

Like other trading standards activity these days, much of the e-crime work is complaint-driven, with interventions being made on behalf of particular customers who have been dissatisfied with one or more aspects of their on-line commerce experience. In this case-study department, as in others, a key role for the trading standards officers is often therefore to present the face of formal authority to the businesses in question, and to seek redress on the complainants' behalf. Although trading standards officers have no formal powers to require compensation to be paid to dissatisfied customers, in practice many traders do tend to respond positively to such approaches and agree to make a refund, whether in full or in part, in so doing acknowledging and remedying the detriment.

But in addition to complaint-driven work (or often in the process of following up on a complaint) trading standards officers in this case-study do undertake their own self-initiated investigations, for example, by searching ranges of sites in relation to a particular product or service or in relation to a particular aspect of the relevant regulations. In doing so they regularly identify breaches – many relatively small-scale in nature – although, when seen in the context of the huge volume of internet selling, with potentially very significant detrimental implications.

Typically, on finding an instance of a non-compliant website or improper terms of trade by a seller on Facebook, the officers will make contact, introduce themselves as the regulators, outline the problems and explain what is required to achieve compliance. The officers in this case-study department are clearly highly experienced and knowledgeable in this area of work and are well able to operate in quite a pragmatic manner – without slavish adherence to documented rules and

detailed procedures. From the interviews, it was clear that the officers understand and appreciate the high ethical standards of conduct expected of them (including of the constraints imposed by the Regulation of Investigatory Powers Act 2000 (RIPA²¹). It was also clear that they are trusted by their management to exercise good judgement based on their expertise and skills in investigative work and to seek further guidance and authorisation from their manager whenever necessary.

The case-study also provided valuable insights on the nature of larger-scale e-crime now taking place, including one scam offer for the bulk supply of 'locally-grown' Christmas trees for the retail market, for which orders were taken and payments made by a large number of retail businesses but which then received nothing in return. The source of the scam turned out to be outside the UK and, happily, the department intervened quickly enough to be able to secure redress for the victim retailers through the banks (the police, it was said, were less interested to pursue the case once it was clear the source was outside their area of jurisdiction). Many other such scams, it was said, had not been so fortuitously resolved, with traumatic, and potentially ruinous, financial consequences for many individuals and businesses.

The proliferation of internet-based credit scams was also reported to be a major concern to the case-study department; these also frequently proving to be very difficult to pursue and, similarly, often with little or no prospect of recompense being secured for victims. Accordingly, a primary objective in such cases is simply to disrupt and prevent more people getting into difficulties. In this respect, as indicated, contact is usually made with the registrars of websites – who were said mostly to be co-operative and helpful – to request the taking down of the offending sites to protect future consumers (on the basis that fictitious websites represent a breach of the registrar's terms and conditions).

One specific concern in this context raised during the case-study visit concerned the interface between trading standards and policing in relation to e-crime. Here, while the existence of the national e-crime reporting body, [Action Fraud](#)²² was generally welcomed, in practice, it was suggested, this could often mean that local trading standards do not get to hear about a particular report or complaint that they might well have been able to pursue more immediately and perhaps to greater effect. There is a need, it was suggested, for a more 'joined up' approach, and with e-crime reports being shared between the police, national crime reporting bodies and trading standards in the interests of better consumer protection.

Alongside the insights on such investigative and remedial work, the case-study also highlighted the commitment being made with regard to consumer education on e-crime, and the opportunities being taken in the department to promote greater awareness of the risks associated with internet purchasing and of the precautions called for. In this context it is evident to officers that a large proportion of e-crime is

²¹ In Scotland, the equivalent powers are provided in the Regulation of Investigatory Powers (Scotland) Act 2000

²² Action Fraud is the UK's national fraud and internet/cyber-crime reporting centre.

going unreported, probably because of the self-blame and embarrassment often associated with this form of victimisation. But in seeking to educate consumers about how to purchase safely on-line, the department recognises it has strong allies in the local and national media – with stories of scams and the misfortunes of innocent victims always likely to be reported for their human interest. Accordingly the department regularly produces ‘copy’ for the press, and uses Facebook and ‘tweeting’ to communicate both its success stories and the problems that could confront the unsuspecting internet shopper. The department also regards the authority’s elected members as valuable allies in public education in this respect (as well as supporters of trading standards work more generally). Indeed, the department has provided a series of member briefings on the subject of scams and swindles has also run two workshops on the subject. The department’s annual report, published each autumn, is also seen as a valuable means to maintain awareness among members and the wider public as well as for communicating the key challenges and accomplishments in this area of its overall workload.

Table 17: Logic Model Data for Specialist Case-Study No. 8 – E-Crime

<u>Inputs</u>	<p>Staffing:</p> <p>Staff time spent on ‘e’, ‘m’ or ‘s-commerce’ issues (e.g. scams; unlicensed credit brokers; and online counterfeit sales etc. - typically seeking to take websites down) 10% of 1 FTE = £5,000pa.</p> <p>Staff time spent on core web issues, e.g. social network-based counterfeit and other illicit goods sales; online trading compliance issues (e.g. unclear delivery charges, unspecified consumer rights etc. – typically contacting traders and seeking regulatory compliance) 20% of 9 FTEs – 1.8FTEs = £70,000pa.</p> <p>Staff time spent on background web issues (e.g. high street retailers, service providers who also advertise online – typically also contacting traders and seeking regulatory compliance) 5% of 8 FTEs = 0.4 FTE = £17,000pa.</p> <p>Managerial time spent ensuring availability of necessary resources, infrastructure and operational procedures; 0.05% of 1 FTE = £3,000pa.</p> <p><u>Total= 2.305 FTEs - costing circa £95,000pa.</u></p> <p>Equipment:</p> <p>Stand-alone PC and special software (Camtasia, Snag-it, Adobe Acrobat and HTTrack – screen recording software – for evidence-gathering, compared with print screen!) plus covert credit card for test purchases –</p>
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	<p><u>Total = circa £1,000pa.</u></p> <p>Specialist Expertise: Member of staff with appropriate training and specialist IT/Internet expertise (participation on development courses/conferences etc.)</p> <p><u>Total = circa £1,000pa.</u></p> <p>Other Resources: Small budget for 'test purchases'</p> <p><u>Total = circa £5,000pa.</u></p> <p>ESTIMATED TOTAL ANNUAL RESOURCE INPUT: <u>£102,000</u></p>
<p><u>Activities</u></p>	<p>Consumer complaints Just under 23% of all consumer complaints received by (or notified to) the department in 2013-14 related to internet or mobile phone transactions. However, this figure may be somewhat higher than the UK average because the particular case-study department is geographically extensive and very rural, meaning that more transactions are probably made by the internet and which, in turn, is likely to have generated a higher complaint rate.</p> <p>The full extent of non-compliance in e-commerce, and of criminal activity in internet-based trading, is almost impossible to assess. But a survey conducted in 2013 of 220 of websites revealed high levels of non-compliance as follows:</p> <p>7 out of 10 websites required action by Trading Standards</p> <p>More than half did not provide a full refund when a purchase was properly cancelled</p> <p>More than 1 in 4 illegally deducted the original delivery charge from returns refunds</p> <p>43% of websites failed to inform consumers of their right to cancel</p> <p>1 in 5 added unexpected surcharges late in the buying process</p> <p>Some such problems are resolved relatively easily - approaches to many businesses often resulted in positive remedial actions to achieve compliance. But the internet is increasingly the place where counterfeit and other illegal and potentially unsafe goods are being sold. Increasingly, too, trading is via social networking sites like Facebook which present a much greater challenge for tracking, investigation and disruption. Credit scams on-line are also of great concern.</p>

<p><u>Outputs</u></p>	<p>Customer Satisfaction: The Annual Survey (with the department as a whole) produced an overall satisfaction score of 90% (from 204 responses)</p> <p>Investigations: A record 245 investigations (for the department as a whole) were conducted in the year – this being 16% more than in the previous year and five times the number conducted in 2008-09 (reflecting, it is assumed, the switch from more proactive (and routine) inspections to more reactive complaint-initiated actions. Just under 50% of such investigations led to the provision of ‘advice’ to the business or were satisfactorily closed as ‘compliance achieved’.</p> <p>A record 681 complaints about internet-based trading were received.</p> <p>Formal Enforcement Actions: 15 websites were taken down; a successful prosecution was pursued; and a ‘formal undertaking’ made (under the Enterprise Act (both the prosecution and the formal undertaking cases involving sellers of counterfeit products through Facebook).</p> <p>E-Commerce/E-Crime Projects: A project examining the use of social networking sites by traders and businesses local to the council area was undertaken to examine the needs for information and advice on relevant consumer protection legislation. 19 businesses were identified as being likely to benefit from such advice and guidance, including 4 which were considered worthy of further investigation in relation to intellectual property and safety issues. Another key finding was that a significant number of SMEs are now using social media as their sole means of advertising and conducting business.</p>
<p><u>Outcomes</u></p>	<p><u>Remedy of consumer detriment.</u></p> <p>Remedy achieved (in financial terms) for complainants about unsatisfactory items purchased via the internet: In the case-study department this was estimated to amount to a total value of <u>£33,868</u> recovered for consumers in 2013-14 out of a total estimated detriment figure reported to trading standards of £593,420.</p> <p><u>Enhanced awareness of internet-based businesses of the regulatory requirements in relation to e-commerce.</u></p> <p>Increased understanding by traders, and of consumers, of the law governing internet sales: The case-study department reported a recent decrease in consumer detriment and an increase in business compliance, which it was argued was at least partly the result of</p>

	<p>proactive work by trading standards officers and of its efforts to promote safer on-line purchasing. One example is the department's involvement in collaboration with other agencies to develop a "Statement of Principles for Parcel Deliveries", the outcome of which has been increased awareness by business in general of their legal obligations.</p>
<p><u>Impact</u></p>	<p><u>A more level playing field for reputable businesses in e-commerce.</u></p> <p>Non-compliant traders, scammers and the like, increasingly having to operate more covertly, e.g. via social media platforms rather than through hosted websites (though no data available).</p> <p><u>Heightened consumer awareness of the risks of on-line purchasing.</u></p> <p>More aware, alert and empowered on-line consumers who understand the risks of internet sales and, increasingly, key aspects of the law in this respect as well (though again no data available).</p>

Chapter 5: Assessing the Value of Trading Standards' Activities

The value or benefit of trading standards' activities is particularly captured in the two last terms of the Logic Model – the 'outcomes' and the 'impact' from interventions. These are two terms that, in common parlance, are often used interchangeably – as indeed they were in both the case-study interviews and in many of the responses to the national survey.

However, arguably it is helpful to distinguish between them, particularly in differentiating between 'outcomes' as the more immediate, more clearly apparent and more measurable effects of trading standards activities, and 'impact' as less direct, more spin-off, effects – perhaps even as potential benefits to be anticipated, but which, at the time, may be less perceptible and less measurable. Thus, for example, in the case of an inspection visit to a food-retailing premises, which results in an output of, say, the seizure and destroying of a batch of 100 of food products found to be non-compliant, the 'outcome' might be said to include the saving of 100 consumers from a bout of food poisoning, while the 'impact' of the same intervention might be the increased likelihood that, from then onwards, the particular retail premises would change its supplier and be more careful to avoid procuring non-compliant products, thus reducing the risk of future food poisoning for customers. This, in turn might perhaps also have a further impact, of increasing shoppers' confidence in the provenance and quality of the products on sale in the particular establishment, in turn encouraging continued support and flourishing of the business.

Through the information proffered in the various case-studies, together with our own further reflections on the subject, we have compiled an illustrative list of outcome and impact gauges that, we consider help to capture the main beneficial effects of trading standards interventions. In doing so, we have distinguished between, on the one hand, 'outcome measures' and, on the other, 'impact indicators'; recognising that the former should be fully quantifiable while the latter are more likely to be in the form of 'pointers' to additional benefits that, though less measurable, may also be potentially very significant as well²³.

The illustrative list, which is presented below in Table 4, encompasses each of the categories of trading standards activity addressed in this research project; and we have proposed at least one outcome measure, and at least one impact indicator, for

²³ The question of measurability can be seen in terms of cost. To quantify the impact of an intervention, the gold standard approach would be a long-term, randomised controlled trial, where cases are randomly assigned to receive the trading standards 'treatment' in the form, for example, of an inspection, followed by long-term monitoring of results in both 'treated' and 'untreated' businesses in order to isolate the effects of the intervention. Such studies are usually very expensive.

each. Here, the illustrative, rather than definitive, nature of the set of measures and indicators should be emphasised. Indeed, we see the need for further developmental work in this context, particularly involving further contributions from trading standards practitioners to ensure as comprehensive and practicable coverage as possible, and if, as we would advocate, this current research is to lead to the establishment of a successful national framework for outcome and impact assessment in trading standards.

Table 18: Illustrative Outcome Measures and Impact Indicators for Trading Standards.

Trading Standards Activity	Suggested Outcome Measures	Suggested Impact Indicators
Consumer Complaints	<p>Reduction in unfair trading and consequent consumer detriment.</p> <p>Amount of redress (financial or other) achieved on behalf of consumers in relation to products subject to complaint (measured as a proportion of the detriment involved).</p>	<p>Enhanced public confidence in the availability of support and assistance to victims of unfair trading.</p>
Business Advice	<p>Increase in compliance levels achieved by businesses through better knowledge of the relevant regulations.</p> <p>Efficiency gains for multi-site businesses derived through involvement in the Primary Authority scheme.</p>	<p>Increased well-being and satisfaction among consumers as a result of better service by businesses.</p> <p>Enhanced appreciation and acceptance of the regulatory requirements on businesses.</p>
Food Standards	<p>Increase in compliance rates regarding food products being manufactured, distributed and offered for sale (e.g. regarding descriptions of content, labelling, health claims).</p> <p>Reduction in incidence of ill health (and time off work) as a result of gastric and other food-standards-related problems.</p>	<p>Enhanced consumer awareness and confidence in the provenance and quality of food purchased.</p> <p>A 'level playing field' for legitimate food-based businesses through reduction of food fraud.</p> <p>Better long-term health prospects for consumers as a result of reduced availability of harmful foods.</p>
Animal Health and Welfare	<p>Reduction in the number of farms found with problems of non-compliance in relation to animal health/welfare.</p>	<p>A healthier and better cared for livestock.</p>

	Reduction in the incidence of movements of livestock without the required documentation/tags.	Enhanced public confidence in standards of animal health and welfare and in the provenance and quality of meat products.
Product Safety	<p>Reduction in the quantity of unsafe, harmful and/or counterfeit products reaching the market for sale.</p> <p>A fairer environment (a level playing field) for businesses trading legitimately because unsafe and/or counterfeit competitor products have been prevented from reaching the marketplace.</p>	<p>Diminished potential for harmful accidents because unsafe products have been prevented from reaching the marketplace.</p> <p>Enhanced public confidence that goods available for purchase can be relied upon to meet approved standards of safety.</p> <p>Reduction in harmful accidents to consumers through less availability of unsafe and dangerous products.</p> <p>Better functioning of market mechanisms through better-informed consumers.</p>
Metrology	<p>Reduction in the incidence of inaccurate weighing and measuring equipment.</p> <p>Increase in compliance rates of licensed premises in relation to the regulatory requirements regarding measurement and proof of spirits.</p>	<p>Enhanced consumer confidence that the measures served by volume or by weight can generally be relied upon because they are subject to regular independent checks.</p> <p>Positive effects on competitiveness, especially for small businesses, as fraudulent competition through misleading weights and measures is removed from the market.</p> <p>Other positive effects, for example, on personal health (if weighing equipment used in calculating medicine/drug dosages is operating correctly), or on highway maintenance (if, inaccurate weighbridges result in overloaded lorries causing undue wear and tear to road surfaces and bridges).</p>
Doorstep Crime	Reduction in the incidence of doorstep crime and cold calling.	Enhanced sense of neighbourliness.

	<p>Increase in the level of reporting of cold callers to the police.</p> <p>Increase in the proportion of residents in an area indicating 'feeling safer following designation of their neighbourhood as a cold calling control zone.</p>	<p>Enhanced public alertness to the problem and risks of door-step crime.</p> <p>Enhanced confidence among vulnerable people to resist the pressures of doorstep traders.</p> <p>Reduction in premature deaths among elderly people.</p> <p>Sustainment of independent living for elderly and other vulnerable people for longer duration (with consequent savings on adult social care budgets).</p>
Age-Restricted Sales	<p>Reduction in incidence of under-age young people purchasing alcohol, tobacco, fireworks and other dangerous and health-damaging items.</p> <p>Increase in retailers' compliance rates regarding the display of warning notices about tobacco and alcohol sales.</p> <p>Alleviation of pressures on hospital A&E departments through reduction in excess alcohol cases among under 18 year olds.</p>	<p>Improved health and wellbeing for young people through reduced access to potentially harmful products.</p> <p>Reduced pressure on health services from long-term effects of smoking and alcohol consumption.</p> <p>Enhanced confidence among parents and others in positions of responsibility (e.g. teachers), that those from who they are responsible cannot easily obtain health-damaging products.</p> <p>A 'level playing field' for legitimate businesses selling age-restricted items.</p>
E-Crime	<p>Amount of redress achieved (financial or other) for complainants in relation to items purchased via the internet.</p> <p>Increase in compliance rates by traders with the regulations governing on-line selling by traders.</p>	<p>Enhanced alertness among consumers to the risks associating with shopping on-line and of awareness of the key obligations on traders in this environment which offer protection.</p> <p>Better functioning of on-line markets.</p>

In light of the research finding that no such framework for outcome and impact assessment has previously been drawn up, agreed or implemented in trading

standards, we do consider that such development work is overdue and would be of considerable value in assisting further strategic planning and resource allocation in the sector; which will be especially important in the on-going climate of financial austerity. In such a context, there needs to be much better understanding of, and more quantitative information about, the economic, social and environmental benefits that derive from trading standards interventions than was available to us from the case-study departments we visited, not least to respond with greater authority to any further pressures for cuts in budgets.

In 2015 the context and capacity of local authority trading standards departments has already much changed from that which prevailed in 2009 when the Office for Fair Trading presented its report 'Trading Standards Impact: An Evaluation of the Impact of the Fair Trading Work of Local Authority Trading Standards Services' (OFT, 2009). In that report the authors offered "conservative estimates", based on national data gathered in 2007 of the positive benefit-cost ratios; concluding that for every £1 spent tackling unfair trading practices £6 of benefit was achieved in return, and for every £1 spent advising and assisting consumers, some £7 of benefit was earned.

Seven years on, and following a period of at least four years in which just about every local authority trading standards budget has been cut significantly, it seems likely that such benefit-cost ratios will have risen somewhat, not least through the increased productivity resulting from staffing contraction. Broadly speaking, budget cuts should rationally be made in areas of service with the lowest benefit-cost ratios. Hence cuts will generally be expected to increase the average of such ratios. Unfortunately, however, the available data from our case-studies was not sufficiently disaggregated or detailed to confirm or challenge this presumption or, indeed, to support the computation of equivalent ratios for each of the eight specialist activities on which we focused. In general, measuring the benefits of, for example, reduced teenage drinking is a task that would usually require a major long-term study. Instead, as stated above, we have focused on assembling as much quantitative evidence as was available from the case-studies, of the outcomes and also the qualitative evidence of impact for each activity area in turn. Such available data, it should be said, was patchy in coverage.

Nevertheless, it was abundantly clear from all the data to which we had access, that measured outcomes, together with prospective impact, are likely greatly to exceed the direct costs involved in each field of activity. For example, in the e-crime case-study, the outcome measure of remedy of consumer detriment alone (i.e. the financial reimbursement achieved on behalf of dissatisfied consumers) was calculated to cover one third of the annual staffing cost for the activity (i.e. just under £34k of reimbursement against £104k of staff cost). But then also to be factored into any estimate of benefit-cost ratios, would be the less easily quantified, but no less significant, outcome of increased compliance rates of on-line traders, and the impact of enhanced consumer alertness to the risks of on-line shopping result from all the

proactive and reactive work by trading standards officers – the benefits of which would most surely exceed the remaining £70k of annual cost.

Similarly, in relation to door-step crime, the outcome measures of a significant reduction in the incidence of cold-calling, through designating Cold Calling Control Zones, and of working with the community to encourage more reporting and enforcement, was found to have resulted in a very significant increase in the proportion of residents feeling safer, as well as further impact in creating an enhanced sense of neighbourliness, increasing alertness to the problems of doorstep crime and building public confidence in how to respond to any such incidents; all of which would again, most surely, exceed the circa £95k costs of salary and overheads.

Furthermore in relation to doorstep crime, as indeed in relation to a number of other trading standards activities, there is always the probability of the interventions preventing not just financial detriment to the consumer but also more serious health impacts resulting from the stress and trauma of victimisation and with potentially huge costs saved for the health and social care services. Similarly with metrology, as well as the potential savings in financial detriment arising from under-weight sales, there are all the other potentially harmful consequences that are avoided by interventions, for example, by checking the accuracy of hospital weighing equipment preventing the wrong dosages of prescribed drug treatments being administered. In this respect it was salutary to learn that, in one of the case-studies, tests of hospital scales found 7 per cent to be measuring inaccurately and 8% of those in GP surgeries. It was also surprising to learn that 11 per cent of post office scales in one case-study area were found to be reading inaccurately, and 29 per cent of those in high street jewellers used for weighing gold.

In short, it might seem difficult to overstate the potential value of trading standards work given all the potential detriment that might arise inadvertently - for businesses as well as for consumers; to say nothing of the effects of more wilfully dishonest and wanton trading practices. Indeed, more than anything, and even without the kind of quantitative data that is needed for computations of benefit-cost ratios, the research has left us in no doubt as to the hugely positive net benefits for society, nationally as well at community level, of local authority trading standards work when set against the annual costs involved.

Chapter 6: Conclusions and Recommendations

As stated at the outset of this report, six objectives underlay the research project as follows:

- To paint a clearer picture of the benefits that trading standards work contributes to local and national priorities and its benefits to the public purse;
- To develop a logic model of trading standards processes;
- To develop case studies that describe and estimate the benefits of trading standards services;
- To build an evidence base on the impact of budget cuts to local trading standards services in recent years;
- To test the efficiency and effectiveness of trading standards services across England, Scotland and Wales;
- To identify any current or potential future enforcement gaps.

In this concluding chapter we focus on each of these in turn (re-formulating each as a key question), summarising the relevant findings, drawing conclusions from the evidence gathered, and offering six key recommendations – of equal significance – as to ways forward.

1. What benefits does trading standards work contribute to local and national priorities and to the public purse?

A key finding from the research is that the work of trading standards departments has become much more closely and explicitly linked into the chosen priorities of the sponsoring local authorities in recent years. While careful cognisance is also taken of the priorities defined and advocated by the National Trading Standards Board, Trading Standards Scotland, and other such national bodies, it is clear that, in a period of significant reductions in local authority spending, what matters most to trading standards departments is that they are able to demonstrate to their parent organisations, and to their elected members, the relevance and contribution of the work towards attainment of the council priorities.

In this respect, we encountered several impressive examples of trading standards departments demonstrating clearly how their work links to their local authorities' priorities in policy terms and, in so doing, often presenting a fresher, more proactive and positive stance on some well-established regulatory responsibilities. It was also clear from the survey responses that demonstrating such relevance and contribution to the parent local authority's priorities has become essential to the process of

securing on-going funding support. Moreover, as evidenced in the research, this need not simply be a matter of smart ‘word-smithing’ or ‘ticking the right boxes’. For so much of the heartland of trading standards activity is indeed about the key local government priority of public protection – both for individual citizens and for communities - and about enabling those more vulnerable to exploitation and at risk of harm to be safe - quite as much as it is about regulation and enforcement of (non-compliant) businesses. As such, much in evidence in all twelve case-studies was a strong moral sense of commitment by staff to interventions in support of vulnerable people, to minimising detriment and to seeking remedy and redress on their behalf wherever possible. More often than not, indeed, this seemed their prime motivation, rather than the breaches of regulations. Such motivation was also much apparent in the sense of frustration expressed by so many trading standards officers at being unable in the current financial climate to do more of the proactive surveillance work of monitoring and checking for compliance that their experience had taught them is so important in reducing potential harms and in maintaining standards. Moreover, the argument we heard several times in this regard was that more ‘up-stream’ and preventative work would always be likely to be of greatest benefit to the public purse, because it would result in less ill-health and hospitalisations (including mental health arising from worry and distress at victimisation), and less physical injuries, and time off work, as a result of accidents with unsafe and dangerous products.

All that said, the research has also highlighted the relatively weak, and probably diminishing, profile of trading standards, both within the public eye and within the local authority context. We heard, for instance, how the grouping of trading standards departments with other local authority departments, and how the dissolution of councillor forums specifically focused on trading standards, to be replaced by more multi-functional, corporatized, directorates in councils, and with more all-encompassing programmatic budgeting processes, had tended to lower visibility as well as the status of the function to the point where most councillors now have much more limited, and often quite ill-informed, understandings of the nature of the work being undertaken. As a result, many also have little appreciation of the potential significance and value of the functions and are therefore less likely to question or challenge any proposed further budget reductions. It was also suggested to us that, while the move to nationally-organised consumer complaint-handling, first through Consumer Direct and, more recently, through Citizens Advice Consumer Service, had been beneficial in providing greater efficiency in first stage response-making, and relief for hard-pressed trading standards departments, it had also served to lessen public (and media) awareness of the role of local authorities in relation to consumer concerns and complaints. To retain their public profile, departments, as a result, now need to do more to promote their own work and explain its benefits and value to citizens and communities.

Accordingly our first key recommendation from the research is that more attention (and resources) should be devoted, particularly at the local level, to raising the profile of the contribution to ‘public protection’ (including, but not only, ‘consumer protection’)

being made under the auspices of trading standards. In this respect we think some more local branding strategy work and follow-up media-campaigning - ideally with support from the national level by the National Trading Standards Board, the Department for Business, Innovation and Skills (BIS), the Trading Standards Institute (TSI), and other stakeholder bodies such as Trading Standards Scotland, the Association of Chief Trading Standards Officers (ACTSO), the Society of Chief Officers of Trading Standards in Scotland (SCOTSS) and consumer organisations - would prove to be of great value. Not least, it would help to promote more community awareness of, and alertness to, the prevalence and risks of local trading problems such as door-step crime and the wider issues of counterfeit goods, e-crime, as well as of the other trading standards work undertaken, for example, in relation to product safety, food standards and animal health and welfare.

Recommendation 1: Local authority trading standards services should devise and roll out more campaigning programmes, ideally with the support of national bodies, to raise the public profile of their work, and particularly of the contribution it makes to local public protection and community safety.

2. What are the key elements and features of a logic model for trading standards processes and what is to be learned from such a model?

Unsurprisingly, the elements of the logic model applied in the research – of ‘inputs’, ‘activities’, ‘outputs’, ‘outcomes’, and ‘impact’ – were well understood by all the practitioners we interviewed and the overall conceptual framework seemed strongly embedded in mind-sets within trading standards departments, perhaps particularly so in the current challenging times when so much emphasis is placed on costs and benefits and on efficiency, effectiveness and value for money. But there was also recognition and acknowledgement of the considerable difficulties in measuring and quantifying the outcomes and impact of trading standards interventions, most particularly those of a proactive and preventative nature that were intended to avoid harm or detriment for people. The key problem, it was recognised, was identifying a means for estimating how many incidents of harm and detriment might have been avoided as a result of the interventions, and how serious such harm and detriment might have been.

Yet despite such understanding and recognition of the challenges involved, it was surprising perhaps that the research failed to encounter, or learn of, any particularly good examples of trading standards departments that had actively addressed this informational deficit and had developed appropriate data gathering processes specifically to build a systematic and rigorous evidence base concerning the outcomes and impact of their work. Indeed, the whole issue of impact evaluation seems relatively under-developed within the service as a whole. Perhaps a reflection of this state of affairs, we were also surprised that very few interviewees made reference in our discussions to the report ‘Trading Standards Impact’ produced just a few years ago (OFT, 2009). And at only one of the case-studies, to

our knowledge, had use been made of the ‘TSS Fair Trade Impact Calculator’ (developed in conjunction with the OFT report to enable services to ‘quickly and easily estimate the consumer savings delivered by their fair trading work’²⁴).

Somewhat paradoxically, there has probably never been a more appropriate time than the present for focusing on outcomes and impact, and particularly for gathering good data on the benefits and costs of proactive inspectorial/sampling work, given the apparently widespread, and in many areas, almost complete abatement of such activity because of budget restrictions. While, as indicated, many interviewees shared with us their perceptions and concerns about slipping standards among traders, and of increasing levels of non-compliance that they regarded as direct consequences of less frequent patterns of visits by trading standards officers, no-one seemed able to offer us sound quantified data to substantiate the argument.

Accordingly our second key recommendation is for project work to be commissioned specifically to assess in a systematic manner, current compliance rates across the range of trading standards responsibilities. This, we envisage, would need to be a carefully designed and nationally-organised project, based on a carefully devised sampling framework, with data collection over a period of, perhaps, a single week and involving surprise inspections and ‘mystery shopping’ visits to a representative cross-section of businesses. It might include, for instance, samples of traders working on markets and at car-boots (for product safety and other compliance); on farms (for animal health and welfare issues); in food premises (for descriptions, content and labelling of food products offered for sale); and also involve weights and measures checks (in high street stores, at garages, licensed premises, health care centres, and other such settings).

The aim would thus be to build a good evidence base about the current state of trading standards and which, if repeated annually (as with the public satisfaction surveys conducted each year in relation to various local government services), would enable trend analysis and so be of value in the setting of national and local annual priorities. Such data could in turn also support the calculation of benefit-cost ratios for different trading standards activities – calculations that we had hoped to be able to make in this current project, but which proved impossible because of the dearth of relevant data.

Recommendation 2: Given the prevailing uncertainty about the value of routine inspections in trading standards, and the dearth of reliable and comprehensive evidence in this respect, a national project should be commissioned to sample and measure levels of compliance with legislative requirements across the range of trading standards activities. This project might be undertaken in a single week, and ideally would be repeated each year to enable the compilation of a growing data-base of patterns and trends. This would then ensure that the outcomes and impact

²⁴ The TSS Impact Calculator, which allows users to calculate benefit-cost ratios was developed by the Office of Fair Trading in conjunction with the Trading Standards Service.

of trading standards interventions are better understood and that calculations could be made of the benefit-cost ratios for each of the different activities.

3. From the case-studies, what appear to be the key benefits of trading standards services and to what extent can these be measured in quantifiable terms?

The case-studies, as summarised in Chapter 4 of this report, have yielded considerable qualitative evidence of the varied benefits of trading standards work. But as argued above, understanding of outcomes and impact is patchy, and much of the evidence we were presented with in this respect, while based on considerable experience, tended to be largely anecdotal or intuitive. For sure, the state of available data would be stronger in some contexts than others, for example, all the case-study departments were able to furnish us with measures of consumer detriment and of the financial value of any remedies achieved through interventions on behalf of complainants. But, as the OFT Report 'Trading Standards Impact' (OFT, 2009, p. 9) commented, trading standards work "can often deliver significant non-financial benefits, for example, by preventing or reducing anti-social behaviour, physical harm or psychological detriment, including the stress and loss of confidence that can accompany consumer problems". And attributing value to such non-financial forms of detriment would inevitably be much more challenging.

Here again, however, there would seem to be good potential for a national project to develop a suite of measures of outcomes and impact for the different functions of the service and to devise and agree, specifically for this purpose, sets of assumptions for estimating and calculating financial values for cost benefit analyses of the 'invisible' outcomes and impacts (i.e. benefits that could reasonably be attributed to proactive inspection work, and that would result in the prevention of deaths, injuries, or other harms).

This, then, is our third key recommendation - that work should be put in train to develop a national framework of outcome measures and impact indicators for the different functions of local authority trading standards, and so provide a clear basis for understanding and assessing the beneficial effects of the work. This, we suggest, would best be co-led by the Department for Business, Innovation and Skills and the Trading Standards Institute and be undertaken much in the manner of the Office of Fair Trading work (OFT, 2009), by bringing together groups of experienced professionals from each specialism to pool their knowledge and experience, to work together to reach agreement on a set of recommendations (for subsequent testing and validation by rigorous challenge from a second group of informed, but essentially independent, practitioners acting as scrutineers).

Recommendation 3: The Departments for Business, Innovation and Skills (BIS) and for Communities and Local Government (CLG), together with the Trading Standards Institute (TSI) should collaborate on a project to devise a national framework of measures of outcomes and impact covering the range of trading standards activities,

and should propose an appropriate framework for data collection and reporting on a national, as well as local, basis.

4. What impact have budget cuts had on trading standards services in recent years?

In Chapter 2 of this report we described the findings from our national survey of trading standards departments from which a key set of responses related to the impact of the diminishing resource base experienced of the past few years. This impact was summarised in terms of a) effects on the ways of working, b) on the activity portfolio, and c) on the departments and their staff. Further evidence of the scale and consequences of local authority budget cuts on trading standards was provided from each of the twelve case-studies, in some of which the contraction in budgets and staffing numbers has been more than a third, and in several cases, having started prior to 2011-12 (the base year used in the survey questions). Overall, the story was much the same in all twelve departments; of staff complements, and therefore regulatory capacity, having been very significantly reduced (at least halved over just a few years in most cases).

Almost all staff we interviewed talked of a significant switch away from proactive inspection and other surveillance work to focus for the most part on responding to intelligence sources and referred consumer complaints (i.e. in light of problems having arisen), and with less emphasis on earlier prevention. Even many 'high-risk' businesses, we were informed, are no longer being routinely visited unless problems have been reported. Yet it was also often said that, whenever inspections did take place, almost invariably, issues of non-compliance would be identified, leading many officers to believe that standards were slipping as a direct consequence of the reduction in routine visiting.

Another much reported impact of the budget cuts was the greater emphasis now being placed on local income generation. For many departments this has clearly become a significant 'coping strategy', particularly in relation to weights and measures work – in our specialist case-study, for example, with contract work (for businesses and for other public authorities) now having become the mainstay of the metrology team's work, rather than 'legal metrology'. Charging for business advice was also reported to have become more widespread; a change perhaps further legitimated by the introduction of the primary authority scheme, which has become a significant work-stream in its own right for an increasing number of departments.

Meanwhile, budget reductions have also led a number of departments to levy charges or withdraw entirely from providing consumer advice locally, relying instead only on notifications and referrals from the Citizens' Advice Consumer Service (CACS) public call-centres and limiting local information provision to 'self-serve' advice from websites.

As discussed above, all this has served to reduce the public profile of local trading standards departments and, at the same time, there have been widespread cuts in

local promotional work with the public on consumer rights and other such proactive awareness-raising initiatives in relation to scams, door-step trading, counterfeit goods, and product safety, as well as work in schools on the risks of alcohol, fireworks and other age-restricted purchasing. On the other hand, a number of departments, including some of those visited as case-studies, have been successful in attracting additional funding from other sources to support proactive public protection initiatives such as the establishment of Trusted Trader/Approved Trader schemes and the designation of 'Cold Calling Control Zones', all of which, it was said, enjoyed strong local political support.

Regarding the effects of financial cutbacks on the departments themselves, many survey respondents and case-study interviewees commented on the unfortunate loss of expertise and experience as a result of early retirements. Concerns were also voiced about the down-grading of trading standards within the local government family – with most departments now typically headed at assistant director (tier-three) level, which in practice has left services at some remove from the leading political and executive officer circles where the key resource allocation decisions are made.

Some survey respondents also commented on departmental resilience being weakened because staffing levels had become too small to cope effectively with holiday and sickness absence. Others also referred to the loss of morale among remaining staff. However, while many of our interviewees in the case-study departments certainly recalled, somewhat wistfully, times when, with more staff, it had been possible for trading standards to achieve much more than now, we encountered little to suggest morale to be a problem. Much more characteristic, from our interviews, as indicated, was the enthusiasm among staff and the sense of mission to make a positive difference for consumers – both by supporting compliant-minded businesses and through prompt follow-up actions with less scrupulous traders, to seek remedy and to protect other consumers and the public more generally.

That said, many interviewees did air concerns about the future for local authority-based trading standards, which, with little new recruitment for succession-planning, was felt to be at risk of becoming an aging and diminishing profession. Also of concern to many staff was the perceived reduction in levels of expertise in the core specialisms such as metrology, animal health and feedstuffs, food standards and product safety, and the implications of trading standards increasingly becoming a more generalist profession. In this respect, while staffing reductions had necessitated a more flexible work-sharing and 'hands-on' approach, with much more 'helping out' between officers, concern was expressed at the emergence of a less expert, more generically skilled, cadre of staff, and at the reduced opportunities for staff to keep up-to-date professionally and, as a result, be as confident, knowledgeable and effective as regulators as they would wish.

There are clearly a number of important strategic issues here to be considered by the national bodies like the Department for Business, Innovation and Skills (BIS), the

National Trading Standards Board, Trading Standards Scotland, and the Trading Standards Institute (TSI) - the latter with its interests in professional standards, qualifications and training. But the same issues are also of significance at local level for councils and councillors, as employers and as key decision-makers on annual budgets for local public services. And in this respect, as already indicated, a strong theme from the research was of many such decision-makers being insufficiently well-informed of the work of their trading standards departments, and of budget cuts being based largely on monetary considerations rather than on service implications. While we saw evidence in a few instances of very thorough service review work by officers feeding into, and informing, medium term financial planning at the corporate local authority level, we also learned of other departments where it appeared that budget cuts were being imposed without due consideration of the evidence about needs, performance or service implications. And for a local authority service that makes such a direct contribution to the widely-regarded general priority of public protection, this was indeed surprising. Accordingly our fourth key recommendation is that local authorities (particularly their cabinets and scrutiny committees), when considering the budgets for trading standards, should ensure they have good information and understanding about the services involved and of the likely implications (i.e. outcomes and impact) of any suggested reductions. To this end, chief trading standards officers clearly have a vital role to play in compiling and presenting the information to colleague chief officers and to councillors and in justifying with a strong evidence base the resources they consider to be required.

Recommendation 4: Local authorities should plan budget allocations for trading standards departments on the basis of good information as to workloads, performance (efficiency and effectiveness) and the likely outcomes and impact of any proposed changes in provision. Ensuring the availability of such information to all involved in council budget decision-making should be a key responsibility for each chief trading standards officer.

5. How efficient and effective are trading standards services across England, Scotland and Wales today?

It is likely that the budget cutbacks of recent years will have served to make trading standards departments appear more efficient in so far as input costs will have probably fallen at a greater rate than changes in levels of output. Moreover, the fact that most departments have shed some of their more senior posts and introduced much flatter organisational structures – with a greater proportion of staff now involved in actively delivering the services (as opposed to managing the staff who do so) – will also have contributed to enhanced efficiency and productivity. As discussed earlier, the research also highlighted how budget cuts have led to the stronger focusing of available resources on those activities regarded to be the highest priorities, including responding to intelligence and consumer complaints, and with less emphasis on routine inspectorial work. This too seems likely to have contributed to increased efficiency.

However, it will be recalled that the research also identified some significant variations in spending per head and per unit of workload (as highlighted in Table 1 in Chapter 2) which suggest on-going differences in efficiency and, as such, raise questions as to the underlying causes. Closer analysis of the available data indicated, much as one might have anticipated, that economies of scale do tend to be significant for those departments in larger populated areas and with larger workloads (as reflected, for example, in numbers of complaint referrals from CACS). At the same time, those more remote, geographically extensive, and lesser densely populated areas all have significantly higher unit costs – no doubt because, despite their relatively small workloads, there are still all the fixed costs to be borne in having a trading standards department.

This, then, raises the question of what might perhaps be done differently in service delivery and organisational terms in pursuit of still greater efficiency and effectiveness, especially with a view to helping those areas with highest unit costs. Here, the issue of more joint working (or shared services) between neighbouring departments was much discussed during the research and a range of views on the subject were heard. As indicated earlier, in Overview Case-Study No. 1, a relatively small council area in terms of both population size and geographical extent, almost all the interviewees expressed recognition of the potential benefits to be derived from joining up with staff from neighbouring trading standards department. Here more than anywhere, staff seemed to feel that the budget cuts had left the team too small to be as efficient and effective as was desirable, or to be sufficiently resilient. At another of our case-studies, a full shared trading standards service had been established fairly recently between two neighbouring departments, both serving extensive geographical areas, and the verdict from interviewees was generally very positive. Then, in another case-study again, plans for a shared service with a near neighbouring department were at an advanced stage. However, in another case, having been very close to embarking on a shared trading standards service, the decision was taken at a late stage to draw back because concerns about the potential loss of local control, which was felt to outweigh the benefits. Then in yet another case, the council had recently decided to withdraw from a shared service arrangement and re-establish its own trading standards department because it would have more control, and was able to pursue its priorities, particularly for public protection in its local area, at lower cost.

Meanwhile, the data from the national survey suggested that, mostly, departmental approaches to efficiency savings had focused on generating revenue through offering their services to other councils, rather than on reducing the range of activities being undertaken and instead buying in services from others. Indeed, only 3 out of the 33 responding departments which indicated involvement in joint working arrangements said that they were 'purchasers' of service from another council (as opposed to 'providers' for others).

In addition, while many departments commented on their positive partnership working with external agencies, and particularly with the police, only a handful indicated having explored the possibilities of sharing resources with such external partners. In this respect, for example, just four respondents in the survey indicated having a secondment arrangement with the police, yet in each such case the view presented to us was that the experience had proved very positive, not least for the opportunities collaboration had engendered for further sharing of resources and intelligence. Closer collaboration through such secondments or joint appointments could, we suggest, be a useful way forward for many more trading standards departments in the current challenging financial climate.

Overall, the story of shared services and joint working in the case-studies appeared to be one of mixed experiences, and one that underlined the plethora of responses from the national survey indicating that, often, attempts to establish joint arrangements had been thwarted by local political considerations, principally the concerns of councillors about losing control of their services. This is important, but our general conclusion from the evidence we gathered is that shared service arrangements can represent a logical and practicable response to the problems that budget cutbacks create for smaller trading standards departments, with the two key provisos. First is that there needs to be enthusiasm and positive commitment on all sides to joint working and to doing so quite as much for service development and enhancement reasons as for efficiency gains or simply to survive. Second, is that the overarching governance arrangements for the venture should be such as to ensure that partner local authorities are each able to maintain an active stake in the determination of both strategic and operational service planning issues and that all councillors – not just the portfolio-holders and others in leadership positions - are able to build a strong sense of identity with, and good understanding of, the work being undertaken on a day to day basis on their behalf.

Beyond the possibilities of such joint working/shared service arrangements between near neighbours, is also to be considered the potential of wider-scale collaboration at a regional or, indeed, national scale. Within trading standards, there is, after all, a well-established regional group structure for 'scam-busting' and the function of illegal money lending is now handled on a national basis. Might other trading standards functions be similarly better addressed by more co-ordinated cross-local authority working? Certainly this was considered the best option for Scottish departments by the Society of Chief Trading Standards Officers in Scotland (SCOTSS, 2011) in a web-published review of the future for the services. And while we have not specifically gathered evidence about the potential for further regionalisation in trading standards, from the various insights provided, and the experience of gained from collaborations, we do consider more such joint-working at a sub-regional if not regional scale to be feasible and potentially beneficial for the more technically specialised (and less publicly visible) services such as metrology, product safety, animal health and welfare (including feedstuffs) and food standards. In such cases, it would seem realistic to retain a 'distributed' organisational model with specialist

staff working from a number of existing local authority trading standards departments for efficient local coverage and office support, but perhaps doing so more within a framework of regional leadership and shared specialist resources (e.g. laboratories and equipment) for the particular set of functions. As with all collaborations though, success, we emphasise in any such regionalisation would depend on there being positive commitment from all contributing partner local authorities (so it would be better pursued where it is wanted, on a voluntary rather than imposed basis) and also that good overarching governance arrangements are in place to ensure that the partner local authorities remain empowered and active stake in joint decision-making.

At the same time, we think it probably best that each local authority trading standards department retains individual responsibility for the more localised consumer/community-oriented functions such as responses to door-step crime, follow-up on consumer complaints (some of which might well subsequently be escalated to a regional or national level), age-restricted sales, and advice provision to local businesses (though working in close conjunction with any wider regional-level colleagues for specialist expertise and experience, for example, for primary authority work).

So far as the national level is concerned, although the focus of our research has been specifically on local authority trading standards services, and although we did not particularly focus on the contributions of national bodies, there is clearly an important developing role from national bodies – from government, through the Department for Business, Innovation and Skills (BIS, 2014), through funding for particular initiatives of national significance; and from the profession, through bodies like the Trading Standards Institute, the Association of Chief Trading Standards Officers (ACTSO) and the Society of Chief Officers of Trading Standards in Scotland (SCOTSS), and Trading Standards Scotland (TSS) and, most recently, from the National Trading Standards Board (for England and Wales). This latter body, and its counterpart, north of the border, Trading Standards Scotland, were widely seen by interviewees as significant in supporting departments at the local authority level, particularly through their focus on issues of cross-boundary/national concern such as intelligence-gathering to combat rogue traders, illegal money lending, internet scams and e-crime more generally²⁵. In so doing, their contribution is helping to 'join up' and co-ordinate the otherwise complex world of consumer and public protection (for example, through NTSB's close involvement with the police and other enforcement agencies under the Consumer Protection Partnership (NTSB, 2013)).

But besides the contribution of such public bodies, one other organisational aspect of interest in the research concerned the role of the private sector in the delivery of local authority trading standards responsibilities. In this respect, as discussed earlier, our set of case-studies included an example of a (recently established) joint venture between a council and a private company, involving a ten year contract for service delivery. This, we learned, had resulted in some significant changes with perceived

²⁵ See for example (SCOTSS, 2013)

benefits both for the council and for community safety within the local area. In particular, and playing to its strengths, the private company had introduced new IT systems and was making better use of IT, for example, through direct inputting from the field through hand-held devices. This in turn had delivered efficiencies that were supporting additional commitment to activities regarded by local councillors as particular priorities; notably in relation to age-restricted sales and rogue traders. Particularly interesting to learn here - and perhaps somewhat paradoxically - was the heightened awareness and interest among local councillors in trading standards activities; this seemingly having been stimulated by the contracting arrangement and by the company's monthly performance reporting to the council – something that few, if any, in-house trading standards departments currently match. The contractual model of trading standards service delivery in conjunction with the private sector, then, might perhaps offer a potentially beneficial alternative for other local authorities as they look to respond to the challenges created by budget cuts and to ways of addressing the pressures for greater efficiency and effectiveness. However, such an arrangement would clearly represent a very big step for most local authorities and would inevitably raise considerably greater challenges in agreeing appropriate governance arrangements and in ensuring that an appropriate measure of control is maintained by the local authority as the statutory regulatory body.

But from the experience to date from our case-study, this model might well be seen as one of a number of feasible options for the future organisation and delivery of local authority trading standards functions, and for which there is probably no one best solution suitable for all (SCOTSS, 2006; SCOTSS, 2011; Connolly, 2011). Accordingly our fifth key recommendation is for open-mindedness on the part of departments and their governing councils in considering possibilities for the future. In doing so, the potential balance of advantages and disadvantages for each department in its particular circumstances, need to be weighed up between working independently, collaborating with one or more (near) neighbours, developing more formalised unified service provision models at regional or sub-regional levels, perhaps for certain functions only, and establishing more local partnerships (and joint funding arrangements) with other regulatory agencies, such as the police and environmental health services, or indeed with a private sector provider. Whatever the choice, the most important aim should be to enhance capacity and capability for ensuring fair trading and public protection for local communities.

Recommendation 5: Local authority trading standards departments should give careful consideration to the advantages and disadvantages of different organisational models for the future of trading standards provision, including shared service arrangements with neighbours, working in wider regional groupings for certain specialist functions, with private sector service providers, or buying in services from other councils/agencies, and other funding options such as making joint appointments and secondments with other agencies. Whatever the favoured model, priority should be given to ensuring that governance arrangements are such as to

engage councillors as actively as possible, both in determining the priorities for trading standards and in overseeing their realisation.

6. What, if any, current or emerging/potential enforcement gaps are apparent in relation to trading standards services?

The significant shift in the dominant regulatory approach of trading standards that this research has particularly highlighted, from one dominantly focused on checking for compliance and seeking to maintain the expected standards through regular rounds of visits, sampling and inspections, to one now principally driven by intelligence-gathering processes and consumer complaints, seems likely to have improved productivity and effectiveness, at least in terms of the ratio of enforcement actions to visits/investigations. However, at the same time a recurrent message heard in the research from trading standards officers was that many potentially serious trading problems are now likely to be being missed because of this shift away from routine inspections to a more reactive-mode, in which problems are mostly being addressed after detriment has already been caused or harm done. As indicated, many of the practitioners we talked to were clear in their own minds that the significant reduction in such regular inspection work had meant that bad habits, as well as illegal practices, had been creeping in, not least because traders are learning that they are not being watched to the same extent as in the past.

The scale of the shift was powerfully summed up in a document shown to us on one of our case-study visits – the document being a collation by the head of service of responses from staff to a series of questions posed about the state of their trading standards department, and which then formed part of the evidence base for a service of a review conducted ahead of budget planning for 2014-15. One particular question asked: ‘Are there things we should be doing but cannot with existing resources?’ and for which the responses from staff were as follows:

‘...We are essentially now just a reactive service. Things we should be doing, but aren’t, include:

- *Monitoring disused petrol tanks*
- *Market surveillance for safety of consumer goods*
- *Meeting the minimum standards required of us by Government under the Animal Health and Welfare framework.*
- *Visiting 100% of high priority risk-assessed premises (our KPI sets a target of 75%).*
- *Dealing proactively with unfair trading, leaving legitimate local traders vulnerable to lost trade through unfair competition.*
- *Participating in national projects*
- *Working with CABx in the most effective manner*
- *Monitoring small bakers*
- *Inspecting a sufficient number of animal feeds premises or taking a sufficient number of samples – so compromising food chain safety.*

- *Monitoring classified adverts for car traders who are not declaring being in business*
- *Monitoring social media trading and eBay trading.*
- *Logging all intelligence onto Memex*
- *Meeting the demand from consumers and traders for a Trusted Trader scheme*
- *Giving consumers the best service we can because they are being fielded through the national helpline rather than being dealt with directly by local advisors in the first instance*
- *Doing actual, physical visits to all business premises*
- *Testing weighbridges, oil tankers and petrol pumps as frequently as we should*
- *Visiting all of our premises this year to check that they have been properly risk-rated like we should (instead, we have given them an arbitrary 'medium' compliance level)*
- *Visiting all of our metrology premises to take an accurate inventory of metrological equipment in use for trade, as required by NMO.*
- *Visiting all new businesses...'*

We cannot be sure just how representative of the wider state of local authority trading standards this set of responses is. But an indicator that they were not so untypical is the fact that so many staff from others of our case-studies, and indeed respondents to the national survey, told us that, despite the resource constraints their departments were facing, they were continuing to maintain a pattern of routine inspection visits, doing as many as they possibly could - to farms, factories, markets and high street retail outlets - and taking any opportunities they could, for example, when attending one site to pay an unannounced visit to a neighbouring one as well, because of their belief in the value of such inspection work in sustaining compliance. Similar motivation, we learned, underpinned the decisions of a number of staff to devote time to the preparation of special applications to potential funders, for example, to the Food Standards Agency and the EU, to try and win support for particular projects that involved additional sampling, inspection and testing work.

As we have concluded in Recommendation 2 above, it seems important to test and validate such beliefs through a rigorous and thorough national project. But another conclusion we have drawn here concerns the importance of trading standards officers being empowered to apply their experience and to follow their professional judgements and nous in the planning and prioritisation of their work and time. In this respect we were particularly inspired by learning at one of our case-studies of a 'do what you want' day held each year, in which each officer is encouraged to be guided by their own professional knowledge and instincts in choosing to investigate whatever aspect of trading standards activity concerns them and strikes them as worthy of further investigation, perhaps following up on a particular piece of intelligence, or conducting a series of 'mystery shopping' exercises, or researching compliance levels with the Consumer Contracts Regulations of a sample of advertising websites, or checking up on Facebook pages where there has perhaps been a track record of their use by traders of counterfeit or unsafe goods, or visiting

past victims of doorstep crime to find out if they have been targeted again and to gather fresh intelligence as to the whereabouts of the rogue traders working the local area, or whatever. Trusting experienced professional officers to know best where to look, what to look for, and how best to respond to the compliance problems they encounter, is also vital to retaining morale and motivation within the profession, which is obviously especially important in challenging financial times. And this, indeed, lies at the heart of our sixth and final recommendation as follows:

Recommendation 6: Local authority trading standards departments should ensure that the pursuit of corporate performance targets, particularly in the on-going challenging financial times, does not unduly conflict with the important goals of supporting and facilitating professional development, and nurturing commitment among staff through the encouragement of initiative-taking, and the sharing of ideas about how best to promote fair and legal trading and so provide better public protection for all.

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