



# Trading Standards Services A guide for councillors in London



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## What do Trading Standards Services do?



Trading Standards is a key local authority statutory service responsible for enforcing a wide range of regulations that ensure a fair and safe trading environment. Many local “good news” stories from tackling rogue traders, preventing under age sales to seizing unsafe toys, are generated through the work of trading standards services.

A recent government review recognised that:

*‘Regulatory services play a crucial role in their local communities. In terms of impacting on business, and in delivering regulatory objectives for government, the importance of these services cannot be underestimated’.*

Despite this the service can often get overlooked and the contribution it makes to the health, safety and economic well being of local communities forgotten in the bigger local authority picture.

This booklet produced by the London Trading Standards Services regional group (LoTSA) in partnership with the Office of Fair Trading makes the case why trading standards services deserve greater recognition and support for the vital contribution they make to local communities.

It does this by explaining how trading standards services deliver to today’s key local authority outcomes in local area agreements.

Each section has been designed to assist you in understanding more about the work of trading standards in the areas of crime and disorder, public health, children and young people, the environment and economic development. London case studies are included at the end of each section to highlight practical examples and showcase some of the best practice in the region.

As a councillor you have a powerful influence on the contribution that a local service can make.

We hope that by understanding more about the work of trading standards you will make the case for the greater recognition and support the service deserves and become a “champion” for your local service.

A handwritten signature in black ink, appearing to read 'P. Davenport'.

**Peter Davenport**  
Chair LoTSA

# Trading Standards Services in London

London is the powerhouse of the UK economy, generating billions of pounds to government revenues. It has a rich and varied culture, and attracts millions of tourists from around the globe. But there are major challenges for the capital in ensuring that it remains an attractive place for businesses to develop and flourish. And alongside prosperity sits poverty and a range of associated problems that visitors rarely see. High levels of unemployment, social exclusion, crime, deprivation and homelessness combine to create major challenges for London's boroughs.

Though they vary in size and resources the 32 trading standards services in London have a key role in supporting local businesses, residents and visitors to ensure that the capital is a fair and safe trading environment.



To help with this trading standards services in London work together in a regional partnership called LoTSA (London Trading Standards Authorities).

LoTSA represents London trading standards services regionally and coordinates partnership working between them. Its aim is to provide London residents and businesses with consistent, coordinated and constantly improving services.

LoTSA has a working business plan with clear deliverable goals and in the recent past has developed toolkits suitable for use by trading standards services nationwide on:

- Carrying out Internet investigations
- Raising packaging compliance
- Monitoring the sale of traditional Asian medicines

LoTSA makes a significant financial saving to London services by providing regional training events at cost. It has no premises and relies entirely on the goodwill of London trading standards services for meeting rooms and other facilities. Subscriptions from the London boroughs and grant money from BERR make up the income to pay for the Coordination Service and fund activities.

For more information about LoTSA please visit [www.lotsa.org.uk](http://www.lotsa.org.uk).



# Working for a safer London



Crime, the fear of crime and anti-social behaviour are major concerns for communities throughout London. To ensure that people's lives are not adversely affected by the actions of others Crime and Disorder Reduction Partnerships identify local problems and develop strategies for tackling them.

Trading standards services have a key role to play in these partnerships particularly in preventing crime associated with doorstep selling, youth disorder and the informal economy.

## Doorstep Selling

Preventing householders being victims of commercial crime in their own homes, for example:

- rogue traders cold calling to offer goods and services such as home repairs
- home working schemes
- lottery and premium rate telephone scams
- internet or mail fraud
- illegal money lending

All these crimes have two things in common: they target the vulnerable and often involve cruel trickery. Recent research suggests that the UK public loses around £3.5 billion per year to scams.

Trading standards services tackle all of these criminal practices effectively, often in partnership with local police. Recent high profile examples have been a 'doorstoppers' campaign and government sponsored anti loan shark

and 'scambusters' teams carrying out intelligence led enforcement.

**Anti-loan shark teams** were set up as a pilot in Birmingham and Glasgow, but are now being rolled out across the UK. In London a new illegal money lending team will be primarily based in Hackney, Tower Hamlets and Newham but will work in the region where need dictates. In Birmingham alone the Loan Sharks team shut down loan books of almost £2million, money that would have been demanded from some of the poorest people in the Midlands.

**Scambusters** these are regional teams operating throughout the UK. The team covering London also operates in the East and South East of England and has been focussing on cold calling home maintenance and traders that use deceptive selling techniques. Although in their infancy these teams are extremely successful in tackling problems, such as rogue traders, that cross local authority borders. One case involving cold calling tarmacers who have operated across the whole UK including London has been a major success story with assets and proceeds of crime seizures in excess of £1 million to date.

## Youth Disorder

Anti-social behaviour caused by young people is an increasing problem affecting the lives of many members of the community. Resolving the problem requires the efforts of a multitude of local agencies and trading standards services are often at the centre of such partnerships. They are ideally placed to engage with the youth disorder agenda in their role preventing sales to children of alcohol fireworks and knives.



## The Informal Economy

This involves traders whose businesses result in loss of tax revenue and create an uneven playing field created for legitimate businesses.

This includes

- product counterfeiting (for example DVDs and clothing)
- bringing stolen goods into the market place
- criminal deceptions or fraud (for example car clocking and illegal property repairs)
- “bogus” colleges

To carry out this work effectively trading standards services work in partnership with the industry, FACT (Federation Against Copyright Theft), Police, Customs & Excise and other national regulators. Investigations often reveal links to other serious crime such as illegal drugs, counterfeit money and wildlife crime offences.

## Proceeds of Crime

Trading standards services are increasingly involved in ensuring that assets gained through criminal activities are confiscated using proceeds of crime legislation. This helps act as a deterrent by **sending a message to rogue traders and other criminals that crime doesn't pay!** Many local authorities now employ officers to carry out confiscation work themselves, or in partnership with the police and Assets Recovery Agency. Since April 2006 local councils have been allowed to have a claim upon a third of any assets recovered.

## CASE STUDIES – CRIME & DISORDER

### Case Study 1 - Doorstep Crime

Throughout the region, particularly in outer London boroughs where the problem is more prevalent, local services are sharing good practice and working with the Metropolitan Police and Consumer Direct to set up Rapid Response procedures ensuring victims of doorstep crime receive immediate support and criminals are quickly pursued.

Over the last year one South London borough trading standards service recovered £200,000 in money for victims of doorstep crime and had further successes with two prolific offenders receiving custodial sentences of 3½ years. Another borough obtained a conviction against a rogue builder, a repeat offender, who was sentenced to 4½ yrs imprisonment and given a lifetime ASBO preventing him from having any involvement in building work.

Some authorities have also set up 'Doorstep Calling Restriction Zones' to help educate and empower communities to say 'no' to doorstep criminals. Recent feedback from one in East London has shown a significant decrease in the fear of crime and a reduction in reported incidents.



## Case Study 2 – Counterfeit Goods

Intellectual property theft, which includes counterfeiting, is estimated to cost the UK economy billions of pounds every year. In the last year some trading standards services in London have had good successes in obtaining confiscation orders under the Proceeds of Crime Act in relation to counterfeiting offences including;

- £68,000 against a trader selling counterfeit handbags from a local craft market and through eBay.
- £191,000 against a trader manufacturing and selling counterfeit shoes and clothing.
- £400,000 against a limited company who were wholesaling counterfeit bags.
- £1.1 million against a business selling counterfeit clothing and footwear in various retail outlets.

## Trading Standards Services

### Working for a healthier London



Habits acquired in early years have a profound affect on behaviour and health in later life. Trading standards services play an important role in the area of public health that makes a significant contribution to the wellbeing of local communities in the following ways

#### **Age Restricted Products**

Ensuring that potentially harmful products, such as tobacco, alcohol, fireworks and solvents are not supplied to young people or children is a high priority area of work for most London services.

#### **Safety of Goods**

Trading standards services are responsible for ensuring the safety of a wide and very varied range of goods on sale. From protecting children from dangerous toys to ensuring the fire safety of domestic furniture, to the electrical safety of household appliances trading standards services play a key role in helping prevent accidents in the home.

#### **Counterfeit Products**

The quality and integrity of counterfeit goods is known to be generally poor and with some products, such as cosmetics and medical devices, there can be serious health implications. Counterfeit tobacco sales are now widespread in shops in poorer areas; the quality of the product is variable and often does not adhere to rigorous standards concerning tar, nicotine and carbon monoxide. And more recently the discovery of counterfeit condoms on sale in London has raised concerns that they are unlikely to provide

proper protection against pregnancy or prevent sexually transmitted diseases.

## Weighing Equipment

As well as the “traditional role” of ensuring the correct quantities of basic foodstuffs trading standards services also test the accuracy of medical weighing equipment. This can be a vital piece of work helping to ensure accurate diagnosis for a number of circumstances including diet control and monitoring the weight of babies.

## Food

Much has been written and reported in the media about the relationship between diet and health and ‘well being’. Trading standards services in some London Boroughs have a role concerning diet and nutrition by acting against inaccurate or incomplete food labelling and ensuring that compositional standards are met.



There has been some excellent work by trading standards services in the public health area however more could be done. Councils need to further develop their understanding of the new public health agenda and the critical contribution that local authority trading standards services can play.

### Case Study 1 – Age Restricted Products

Trading standards services across London carry out a number of activities to help reduce the sale of age restricted products.

This includes some or all of the following;

- Business support – providing guidance packs and offering free training
- Frequent test purchasing exercises by underage consumers
- Rolling out locally supported approved proof of age schemes
- Developing Good Trader Award schemes to encourage responsible traders
- Developing enforcement programmes to reduce the availability of counterfeit tobacco.

In some boroughs Neighbourhood Renewal income has provided funding. In one South London borough this has allowed the trading standards service to employ dedicated staff that concentrate on tobacco control and alcohol enforcement activities. It has also enabled them to develop their own proof of age card scheme.

### Case Study 2

In 2007/8 trading standards officers in a partnership of boroughs in North East London tested for accuracy 107 baby and person weighers in hospitals, health centres and doctors surgeries. They also gave advice on good practice when weighing and the suitability of machines used. One weighing machine in the delivery ward of a hospital was removed due to the excessive errors. In 2008/9 in recognition of problems found across the country where in one hospital the errors found in the radiology department could have resulted in cancer patients being administered with 30% too much radiation therapy, a national programme to check and assess weighing machines in key hospital departments is planned.

# Working for a sustainable London



The environment agenda is one of the current high profile political concerns. As governments and international groups such as the G8 set targets to help minimise our environmental impact, it is local authorities including trading standards services that ensure that environmental issues are addressed in the local community.

Trading standards services do this by working with residents to raise the awareness of environmental choices when buying and with businesses to ensure regulatory compliance with a variety of areas including:

### **Excess Packaging**

Working with all businesses but particularly with manufacturers and distributors to ensure that the packaging used on products is kept to a minimum and does not mislead as to its contents.

### **Energy Efficiency**

Ensuring that domestic household products display energy information at the point of sale so that consumers can compare and make a choice based on the energy efficiency of a product. And more recently information on the energy efficiency of a property now needs to be supplied to prospective house buyers in home information packs.

## **Hazardous Chemicals**

Ensuring that chemicals and the products that contain chemicals that can damage human health and/or the environment are manufactured, handled and sold safely. This includes chemicals used in common domestic products including paint, soaps, varnishes and detergents.

### **Spray Paints**

Ensuring that sales to children under 16 do not take place. A recent London Assembly report on graffiti showed evidence that young people are responsible for much of the graffiti through the use of aerosol paints. By working with businesses to prevent under age sales this limits access to the product and helps reduce the incidence of criminal damage and fear of crime that graffiti causes in local communities

### **Misleading Claims**

Trading standards services are responsible for ensuring that all claims are accurate and meaningful and this would include environmental or green claims that are now more common on products.

### Case Study 1 – Packaging Design Competition

Packaging designers have a major influence on what ends up or not in landfill. In order to inspire and educate the students of today and to reduce packaging waste of tomorrow, a national project funded by LoTSA and organised by the Royal Society of Arts was organised to highlight the role of designers in minimising packaging.



The winner was Jane Anderson, for her 'EcoEgg' – an Easter egg for young children, protected by a corn starch shell, which the user is encouraged to recycle in the garden. Product information is contained on a surrounding card, made from recycled paper, which also contains a voucher for an educational storybook.

### Case Study 2 – Packaging Business Advice

LoTSA has produced a DVD giving practical advice to businesses on reducing the packaging they use, as required by the law. The DVD gives clear guidance and shows examples of excessive packaging. It has many useful links to other sources of advice. Funded by a grant from the Departments for Business Enterprise and Regulatory Reform (BERR), the DVD is available free of charge to traders, who can work with local authority services to reduce packaging to a minimum and reduce the volume of rubbish that enters the waste stream.

## Working for a thriving London



Local authorities have a responsibility to encourage economic growth and stability in their area and providing the right trading environment is vital for the growth of any economy. But businesses face many challenges, and their success can be affected by high costs, unfair competition and a complex regulatory environment.

Trading standards services play a key role in helping provide the right trading environment by:

### Providing Business Advice



This work carried out on a daily basis largely escapes attention. Common sense practical advice provided at an early stage is invaluable, particularly to small and medium businesses when they are setting up to ensure that compliance is built in at an early stage.

Large businesses benefit from the operation of the national Home Authority Principle. This ensures that a single trading standards service takes responsibility for advising and liaising with businesses that operate in more than one local authority area. The main benefits consist of the ability to monitor and feedback complaints and seek advice through a single point of contact.

For example in London the City of London are home authority for Sainsbury's, Richmond for eBay UK Ltd and Brent for IKEA.

## Ensuring a Fair Trading Environment

Taking enforcement action against rogue traders and businesses that persistently do not comply is not just about helping consumers. It also ensures a level playing field and one in which all reputable businesses can thrive and compete fairly.

## Promoting Good Practice

Many local authorities are starting to develop and promote good trader schemes. Some are general retail schemes and others concentrate on certain trade sectors such as car traders or home maintenance businesses where there may have been a lack of consumer confidence in the past.

By recognising those businesses that trade fairly and responsibly it helps individual consumers make more informed decisions, encourages fair trading and provides confidence in the local trading environment.



### Case Study 1 – Good Trader Schemes

LoTSA is co-ordinating the rollout of the national Buy With Confidence scheme for home maintenance businesses in London which will be piloted in four authorities in 2008/9. The scheme is designed to help consumers to identify reliable businesses that are committed to fair trading principles and good standards of customer care. Businesses sign up to terms and conditions of the scheme and are vetted by staff from trading standards prior to joining.

Other London authorities have developed their own good trader schemes in response to local circumstances, home repair services, car traders and general retail schemes being the most popular.

### Case Study 2 – Business Partnerships

Business Partnerships work closely with and support local businesses in their area. They aim to understand and improve the relationship between the council and the local business community. Where they exist in London some trading standards services work with them to provide up to date information and training on new regulations and send out warnings about business scams. In one North London borough the business partnership and trading standards service work closely together. As well as jointly organising training events, the partnership is rolling out a local 'good trader scheme', linked to promoting shopping locally.

# Working to empower London's residents



Confident consumers not only get a better deal for themselves but they help drive change in how businesses operate and therefore ensure markets operate effectively.

But levels of consumer knowledge and financial literacy are low, particularly within certain groups including the young, elderly and black and minority ethnic communities.

Trading standards services work to support consumers often working in partnership with other agencies in a number of key ways.

### Consumer Advice

Consumer Direct is a national telephone and web-based advice service for people with consumer problems backed by the Office of Fair Trading. London Councils, with the support of London Trading Standards Authorities (LoTSA), provides the Consumer Direct service for the capital. In 2007 nearly 170,000 London residents used Consumer Direct to seek advice and information and nationally the service answered more than 1.5 million calls.

Cases requiring enforcement action, or where more support is required particularly by vulnerable consumers, are referred to local agencies (usually trading standards services) to deal with.



## Consumer Education

This helps raise levels of consumer knowledge and equips people with the skills to make better choices in the future.

Trading standards services educate London residents by providing general information and publicity on consumer rights and delivering campaigns on issues of local and national concern. This work is often delivered with partners; the Primary Care Trust, Police and voluntary sector advice agencies such as Citizens' Advice, local Law Centres and Consumer Support Networks. In one London borough the local trading standards service run a regular consumer advice slot on a local Asian community radio station.

Some London authorities are resourced to deliver consumer education work with the young. Work focused on the young helps the local authority deliver targets in the Children & Young People's plan so that children are healthy, stay safe, enjoy and achieve, make a positive contribution and achieve economic well being.



### Case study 1 - Consumer Education

Examples of consumer education initiatives with young children delivered by some services in London include: Junior Citizen (an annual community safety event), Talking Shop (an interactive consumer education resource) Playsafe (a national competition to design a safe toy) and Child Safety Week.

In 2007/8 12 London authorities will be participating in a regional heat of a national Young Consumer of the Year competition which teaches secondary school children consumer knowledge as well as developing key life skills.

### Case study 2 – Consumer Intervention

This is just one example of how trading standards services can intervene and support local vulnerable consumers. A London based orthopaedic bed company failed to supply beds that had been ordered and paid for. One very elderly couple (one of whom suffered severe arthritis), disposed of their bed on the day the new one was due and then spent Christmas sleeping on the floor. The local trading standards service had a series of meetings with the company to discuss this and other complaints. As a result of this, the couple received their bed the following day, refunds of up to £1000 were obtained for over 60 consumers and another 200 were supplied with the beds they had ordered.

## The challenge ahead

We hope that you have a broader understanding of the range of duties and activities that trading standards services undertake and the contribution these services make to the daily lives of businesses and residents of London

There is no doubt that trading standards services have an impact on a broad range of local, regional and national issues. The *'Rogers Review into Priorities for Local Regulatory Services'* stated that they considered **fair trading, underage sales of alcohol and animal health** to be the key national priorities for trading standards services in England.

These national priorities must be balanced against the local priorities and needs of your area. These will of course vary greatly and depend on local circumstances, geography and the needs of residents. However there is a real capacity issue for some services and as a result there is a wide variation in the level of service to consumers and businesses throughout London.

Recruitment and retention of staff, lack of access to Councillors and loss of profile within management structures are some of the major issues that Chief Trading Standards Officers have cited to the Office of Fair Trading as key issues. Trading standards services are working with the Office of Fair Trading on a national programme of joint action to work on long term solutions that will deliver a sustainable service for the future.

This is where your support is critical.

# Useful organisations

**Consumer Direct** a telephone and online consumer advice service  
**08454 04 05 06** or Consumer Direct website at  
[www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)

**London Trading Standards Authorities (LoTSA)**  
[www.lotsa.org.uk](http://www.lotsa.org.uk)

**The Trading Standards Institute (TSI)** is the body that represents Trading Standards professionals in the UK. [www.tsi.org.uk](http://www.tsi.org.uk)

**The Office of Fair Trading (OFT)** is a non-ministerial government department whose role is to make markets work well for consumers. It also has the responsibility of championing and providing regulatory leadership to trading standards services. [www.oft.gov.uk](http://www.oft.gov.uk)

**Local Authorities Coordinators of Regulatory Services (LACORS)** is responsible to the local authority Associations for assisting in improving the quality of trading standards and food enforcement by promoting coordination consistency and good regulation. [www.lacors.gov.uk](http://www.lacors.gov.uk)

**Department for Business Enterprise and Regulatory Reform (BERR)**  
[www.better-regulation.gov.uk](http://www.better-regulation.gov.uk)

**Better Regulation Executive (BRE)** [www.cabinetoffice.gov.uk/regulation](http://www.cabinetoffice.gov.uk/regulation)

**Food Standards Agency (FoodSA)** is an independent government department set up to protect the public's health and consumer interests in relation to food. [www.food.gov.uk](http://www.food.gov.uk)

**Financial Services Authority (FSA)** is an independent government department set up to protect the public's health and consumer interests in relation to food. [www.fsa.gov.uk](http://www.fsa.gov.uk)

**National Consumer Council (NCC)** - helping everyone get a better deal by making the consumer voice heard. [www.ncc.org.uk](http://www.ncc.org.uk)

