

**REPORT TO:** Safer Policy & Performance Board  
**DATE:** 10<sup>th</sup> September 2024  
**REPORTING OFFICER:** Director of Public Health  
**PORTFOLIO:** Community Safety  
**SUBJECT:** Trading Standards Service update  
**WARD(S)** Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To provide the Board with an update on the work of the Trading Standards service and the contribution this work makes to the borough's public protection and community safety objectives.

## **2.0 RECOMMENDED: That**

- 1) That the report be noted**
- 2) Endorse the multifaceted approach to both prosecute and disrupt illegal activity by seizing illegal and illicit products to remove them from the market.**
- 3) Partners sign up to and share the iCan alert system.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Trading Standards team provides a wide range of statutory services to protect consumers and legitimate businesses from unfair, misleading, or unsafe trading practices. These services include, (but are not limited to) weights and measures, product safety, age restricted sales, explosives, scams awareness, fair trading, doorstep crime, e-crime, fraud, counterfeit, and illicit goods - including tobacco and vapes.

3.2 The team also provide an enhanced consumer advice service to help consumers in Halton to enforce their own civil consumer rights.

3.3 The work of the team is intelligence led and focused on risk, ensuring that resources are targeted at those products and business that pose the greatest risk to consumers and legitimate business.

### **3.4 Scams Awareness**

Anyone can become the victim of a scam. However, postal, telephone and doorstep scams are often targeted specifically at disadvantaged consumers or those in periods of vulnerability such as those who are isolated or suffering a bereavement. The National Trading Standards (NTS) Scams Team estimates that the detriment to UK consumers as a result of these scams is between £5 and £10 Billion a year. The Home

Office estimate that 1 in 17 adults were victims of fraud in 2023.

- 3.5 The perpetrators of fraud and scams are criminals. They use sophisticated techniques to target, manipulate and often coerce and control victims.
- 3.6 Many scams originate abroad and so in many cases it is not possible to identify a perpetrator. Where a UK based perpetrator can be identified the team will investigate any criminal activity and liaise with the appropriate agencies which may include the NTS Scams Team and the Police, when considering the appropriate enforcement action.
- 3.7 The focus of the service is to raise awareness of scams and provide residents with advice and guidance to prevent and protect them from becoming victims of scams. Where a resident is already the victim of a scam the team will work closely with the individual to provide support, advice and guidance to prevent them becoming a repeat victim.
- 3.8 Fraud is the most experienced crime in the UK. Victims can face devastating financial, emotional, and psychological harm. Statistics show that once someone is a victim of a scam they are twice as likely to be targeted again. Scam victims are more likely to need care in their own home or need to move into a care home, often as an additional cost to the local authority.
- 3.9 The team have developed referral routes with the police, Age UK, and the council's complex care teams. Awareness sessions have been provided to adult social care staff on how to identify individuals who may be vulnerable to scams and referral routes to Trading Standards. Further sessions are being delivered to the elderly and vulnerable throughout the Borough to increase awareness and prevent them becoming the victim of a scam.
- 3.10 **Scams Case Study**  
An elderly resident lost £4000 to a friendship scam. These scams are essentially a form of grooming whereby the perpetrator befriends the victim online, usually via social media. Once they have gained the trust and confidence of the victim they start to request large sums of money. In this case regular support visits were made to prevent the resident becoming a repeat victim. Referrals were made to adult safeguarding and Age UK. The resident has recovered well from the incident and is continuing to live independently in the community.
- 3.11 **Doorstep Crime**  
Doorstep crime involves residents, who are often elderly and vulnerable, being pressured into agreeing to work on their property. This can arise from a cold call at their door, or by the victim making contact with a trader that appears to be legitimate. The work is often unnecessary, and what may start off as a small job ends in the victim being pressured into further work, which is carried out to a poor standard, of little or no value, or not

done at all. The traders will often demand payment in cash and the price charged is often significantly higher than the true cost or value of the work undertaken. In many cases the price will rise, and the trader will make further demands for payment by exerting pressure or becoming aggressive. In some cases, the trader will offer to take the victim to the bank to coerce them into making a payment.

- 3.12 The team respond to many cases of doorstep crime each year. The numbers fluctuate and vary over the seasons. For example, in the summer there is often a spate of gardening and driveway complaints, or in the winter following poor weather there may be an increase in roofing complaints. Where a live incident is reported and there are suspected rogue traders at a consumer's property then a rapid response visit is carried out, alongside the Police. This is to safeguard the victim, prevent any money being handed over, and where necessary arrest any suspects for further investigation
- 3.13 The team investigate all complaints, and where an alleged crime has been committed and an offender can be identified, they will consider criminal action for any potential fraud or consumer protection offences. Where fraud or theft is suspected the police may investigate. The majority of doorstep crime offenders operate across borders and local authority boundaries and are part of much wider organised criminality as part of an Organised Criminal Group (OCG). The team liaise with neighbouring Trading Standards teams, the Police and partner agencies to ensure that intelligence is gathered and shared, and any enforcement action is coordinated.
- 3.14 Banks that are signed up to the Banking Protocol are trained to alert the Police and/or Trading Standards if they spot unusual transactions, for example a consumer making large cash withdrawals for home improvement work. If the Protocol is invoked, then the consumer will be prevented from withdrawing the money and Police and / or Trading Standards will intervene.
- 3.15 **Doorstep crime case studies**  
A 90-year-old Widnes man with dementia was targeted by traders who demanded £9500 for work to his driveway. The victim was not aware what work had been agreed to and the trader did not provide the paperwork required by law. The police were contacted by the man's relatives after he went to withdraw £2000 in cash to pay the traders. Trading Standards officers intervened to prevent the victim losing more money and to negotiate a refund of money already paid. He was provided with a CCTV doorbell to further safeguard him, as part of an NTS funded scheme to help prevent repeat victimisation.
- 3.16 In another case an elderly victim was advised he needed a new roof and paid £9,900 to the trader. He was left with water pouring through the ceilings of his home. Following an expert report the work was found to have no value, and the roof had to be completely re-done at a further cost

to the victim. Following a criminal investigation, it was identified that the individual was involved in fraudulent activity across the North West and had previous convictions for similar offences. The prosecution has been joined with two other Trading Standards prosecutions in Stockport and Lancashire. The individual has pleaded guilty to all offences and will be sentenced in October at Preston Crown Court. He is expected to receive a significant custodial sentence and will be subject to a Criminal Behaviour Order (CBO) upon release which will prevent him from further trading.

3.17 The team are assisting the victim in attempting to obtain a refund for the £9,900 from their bank through the Financial Ombudsman Service (FOS). This follows a claim to the bank under the Contingent Reimbursement Model Code (the CRM Code) for Automated Push Payment (APP) scams. Under the Code, banks have to take a number of steps to protect customers and reimburse those who aren't to blame for the scam. APP scams occur when someone is tricked into sending money to a fraudster posing as a genuine payee.

3.18 **Illegal Money Lending**

In England, all local authorities have delegated powers to Birmingham City Council who operate the national Illegal Money Lending Team (IMLT). Loan sharks can be reported through the IMLT's Stop Lone Sharks Website. [Home - Stop Loan Sharks](#) the site also provides advice and guidance to support and encourage victims to come forward and report loan sharks.

The Trading Standards team receive regular updates on the work of the IMLT and support this by signposting people to the stop loan sharks website and sources of advice and support such as CAB and Credit Union.

3.19 **Tobacco and Vapes**

The team have a range of powers to deal with the risks posed by illicit tobacco and vapes.

3.20 The trade in illicit tobacco includes products that may be counterfeit or illegally imported and sold illegally without the payment of VAT or excise duty. These products are sold at a fraction, often just a third of the price, of legitimate products. By evading taxation these products undermine the principal public health control on tobacco consumption. Through a combination of taxation and other legislation, such as the ban on smoking indoors, the rate of people smoking has reduced from 26% in 2000 to 13% in 2023. Illicit tobacco risks reversing the significant public health progress that has been made.

3.21 Over half of all smokers of illicit tobacco come from the most deprived socioeconomic groups. (source Gov.uk). The health risks associated with tobacco consumption are well documented. The sale of illicit tobacco therefore compounds the health inequalities experienced by these

groups.

- 3.22 According to data published by Action on Smoking and Health (ASH), a public health charity established by the Royal College of Physicians, it is estimated that smoking costs the economy of Halton £111.7m each year. These costs are made up of:
- £70.3m due to productivity loss.
  - £36.4m Social Care costs, which includes the cost of informal care met by family and friends,
  - £4.4m for Healthcare, including hospital admissions and treatment by primary care services.
- 3.23 Vapes were developed by the tobacco industry in response to the indoor smoking ban which was introduced in the UK in 2007. Since their launch, vape products have been viewed as far less harmful to health than cigarettes and so have been promoted by public health practitioners as an aid to help people quit smoking.
- 3.24 However, there is now growing concern about the use of vape products by children and adults who have never previously smoked, thereby exposing them to the risk of becoming addicted to nicotine.
- 3.25 Legitimate vape products must be approved by the Medicines Health Care Regulatory Authority (MHRA), to ensure they meet standards relating to health and safety. The quantity and strength of nicotine within the products is also restricted. Illicit products are not MHRA approved and contain illegal quantities of Nicotine.
- 3.26 Test purchasing exercises undertaken by the team have found that shops involved in selling illicit tobacco and vapes have also sold tobacco and vape products to children.
- 3.27 Since 2019 the team have seized nearly 120,000 illegal cigarettes with a value of around £101,490.
- 3.28 So far in 2024 the team have seized around 5000 illegal vapes which have been removed from sale, with an estimated value of £35,000. Further proactive action is planned to target premises in the Borough and remove illegal vapes from sale.
- 3.29 The team have adopted a multi-faceted approach to tackle illicit tobacco and vapes. Using intelligence to target premises and disrupt criminal activity by seizing illegal and illicit products to remove them from the market. Prosecutions are taken against businesses and individuals where necessary.
- 3.30 The most recent approach is with the use of Closure Orders under the Anti-Social Behaviour Crime and Policing Act 2014 to close premises that are persistently found to sell illegal products, and also sell the illegal

products to children. This can be used as a standalone means to stop criminal activity or can be used in conjunction with other means such as a criminal prosecution.

- 3.31 The team works closely with partner agencies to investigate, prosecute and disrupt the criminals. Utilising funding available from the NTS Operation CeCe (tobacco) and Operation Joseph (vapes), to fund the use of tobacco search dogs and third-party test purchases.
- 3.32 With the recent introduction of track and trace legislation there are also additional sanctions for HMRC to fine businesses up to £10,000 for each seizure of illicit tobacco and to remove their ability to sell tobacco. Trading Standards are able to refer cases to HMRC to administer the sanction and provide the valuable intelligence regarding those involved in the illegal manufacture, importation or distribution of tobacco in the UK.
- 3.33 **Illegal Tobacco and Vapes case study.**  
A retail premises trading as News Rack, in Albert Road, Widnes, was the subject of a lengthy Trading Standards investigation spanning three and a half years, which involved more than twenty complaints from the public. Traders operating at the premises were visited nine times during the period, resulting in three seizures of illegal tobacco and non-compliant vapes, worth thousands of pounds.
- 3.34 Despite the numerous visits, the seizures, and four warnings issued to the occupants of the premises, the traders continued to sell counterfeit tobacco and illicit vapes. There were two failed test purchases in which they sold to children under 18. It was clear for a number of reasons that a prosecution alone would not have had the desired effect of stopping the criminal activities associated with the premises.
- 3.35 During the most recent visit in April 2024, Trading Standards Officers seized over £10,000 of counterfeit tobacco and illegal vapes. During this visit the officers, assisted by 'Billy' a Wagtail tobacco seizure dog, uncovered two concealed units hidden behind a mirror and a staircase used to store illegal tobacco.
- 3.36 As a result of the continued use of the premises to cause nuisance, and to facilitate criminal activity, Trading Standards successfully obtained a Closure Order at the premises for the maximum permitted - 3 months. The application was made under The Anti-Social Behaviour, Crime and Policing Act 2014, and means the premises will now remain closed until 14<sup>th</sup> August 2024. It is planned to apply to the court and further extend the Order for an additional three months. Criminal action may still also be taken against individuals linked to any offences.
- 3.37 The news of the closure has been widely reported and has received praise from legitimate business owners and has prompted further intelligence being received about other premises who are involved in criminality. This sends a strong message that criminality of this nature will

not be tolerated in Halton.

- 3.38 A number of other premises have been warned about their conduct, and are being considered for a Closure Order, and another problem premise will be subject to an application to court for a closure order in the coming weeks (time of writing August 2024).
- 3.39 Licence reviews may also be utilised where premises are licensed under the Licensing Act 2006.
- 3.40 **Age Restricted Sales**  
The Trading Standards team enforces a range of legislation that places age restrictions on certain products such as alcohol, tobacco, vapes, knives and fireworks. They work with premises selling age restricted products to advise and educate and promote age verification schemes such as Challenge 25 to help prevent sales being made to children who are under the legal age.
- 3.41 The team also undertake test purchase operations using child volunteers to test a retailer's system and see if they sell to age restricted products to children. This is targeted at premises where intelligence has been received regarding sales to those underage.
- 3.42 In the past 12 months 4 prosecutions have been successfully concluded at court resulting in 5 convictions and fines handed out for the sale to children under the legal age. Where further criminality has been identified at those premises, this will also be used as evidence towards other enforcement options, including considering a closure order at the premises, such as in the Newsrack case study above
- 3.43 **Consumer advice and the Citizens Advice Consumer Helpline**  
The main route for referrals into the Trading Standards team are via the national The Citizens Advice Consumer Service Helpline (CitA). CitA will provide initial basic advice to the consumer. Cases where there may be a criminal element requiring further investigation are referred on to the team. In addition, Halton is one of a very small number of local authorities that have retained a consumer advice function. If the consumer helpline has not been able to resolve an issue through the provision of basic advice, or that advice cannot be followed as the consumer has additional support needs, the case will be referred to the consumer advice team in Trading Standards for enhanced consumer advice. This aims to help consumers enforce their own civil consumer rights with support and guidance to secure a refund or redress for faulty or sub-standard goods or services. In some cases, this involves helping consumers prepare cases for the small claims court and liaising with a trader on behalf of the consumer to negotiate.
- 3.44 The civil and criminal team work together to try and obtain redress for the consumer, and also take any enforcement action where needed to prevent further consumer detriment.

- 3.45 In the last 12 months the civil advice service has helped Halton consumers achieve over £78,000 of civil redress, in cases where this would not have otherwise been possible without the intervention of the team.
- 3.46 **Product safety**  
The team are responsible for enforcing various pieces of product safety legislation designed to ensure that all products intended for, or likely to be used by consumers, under normal or reasonably foreseeable conditions are safe and do not pose a danger. Products subject to this legislation include, but are not limited to, electrical goods, cosmetic products, and toys.
- 3.47 **Product safety case study**  
Most recently intelligence was received regarding the sale of mothballs which contained the chemical naphthalene which is highly flammable and toxic and presents a danger to humans, animals and the environment. Naphthalene has been banned for use in pesticides since 2008. It is understood some consumers in the Borough had been using these products in their garden as a cat repellent. The team seized a number of items and removed them from sale at the premises identified. Further proactive visits were then made to stores across the Borough to identify any further products being sold and ensure they were not on sale. Advice and guidance were provided to the traders involved.
- 3.48 **iCan Consumer Alert Network**  
The team operate iCan a popular email alert service to warn consumers, business and community groups of scams and product safety information. There are currently 720 external recipients such as community groups, charities, agencies (such as the police) and members of the general public. iCan messages are also distributed to all HBC council staff and elected members.
- 3.49 The iCan system has been in maintenance in recent months, but it is now fully functioning. The number of iCan messages sent out will steadily increase in the coming weeks and months.
- 3.50 A recent alert was issued to warn residents about scam calls relating to Halton Help for Households scheme.
- 3.51 Individuals or organisations that wish to join iCan should email [trading.standards@halton.gov.uk](mailto:trading.standards@halton.gov.uk)

## **4.0 POLICY IMPLICATIONS**

- 4.1 The Trading Standards functions are statutory services. The Trading Standards team is an integral part of the Public Health department enabling the core Trading Standards functions to contribute to the borough's public health and community safety objectives.



## **5.0 FINANCIAL IMPLICATIONS**

5.1 There are no financial implications associated with this report.

## **6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

### **6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence**

The Trading Standards Team's work to tackle illicit tobacco and vapes contributes to the borough's public health objectives in reducing the prevalence of smoking and the harm caused by illicit and illegal products.

The team's work to investigate cases of doorstep crime, raise awareness of scams and support victims helps to maintain the wellbeing and independence of vulnerable adults.

### **6.2 Building a Strong, Sustainable Local Economy**

The trading standards service supports the economy and legitimate business by ensuring a fair-trading environment by tackling rogue traders and businesses who seek to profit from illegal activity.

### **6.3 Supporting Children, Young People and Families**

The work of the team to enforce legislation regarding age restricted products such as tobacco, alcohol and knives helps to protect children from the harms caused by these products. The work around product safety and unsafe items such as toys also protects children from harm.

### **6.4 Tackling Inequality and Helping Those Who Are Most In Need**

The consumer advice function assists consumers to enforce their own civil consumer rights and obtain financial redress where appropriate.

### **6.5 Working Towards a Greener Future**

None identified.

### **6.6 Valuing and Appreciating Halton and Our Community**

The team's work to investigate cases of doorstep crime, raise awareness of scams and support victims helps to protect the community and contributes to the safeguarding of vulnerable adults

## **7.0 RISK ANALYSIS**

7.1 There are no significant risks arising from his report.

**8.0 EQUALITY AND DIVERSITY ISSUES**

8.1 None identified.

**9.0 CLIMATE CHANGE IMPLICATIONS**

9.1 None identified.

**13.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the Act.

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