

**BIRMINGHAM CITY COUNCIL**

**REPORT OF THE ACTING DIRECTOR OF REGULATION AND ENFORCEMENT  
TO THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

**14 SEPTEMBER 2016**  
**ALL WARDS**

**TRADING STANDARDS SERVICE – NEW OPERATING MODEL**

1. Summary
  - 1.1 To advise Committee of the new operating structure and model within the Trading Standards Service that has been implemented following a service review.
  - 1.2 To introduce the Intelligence Operating Model.
  - 1.3 To inform Committee on how the Trading Standards Service will allocate work through a tasking process.
2. Recommendation
  - 2.1 That the report be noted.

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### 3. Background

- 3.1 The Trading Standards Service delivered savings of £242,000 in 2015/2016 to meet the recommendations of the service review in 2014. This was achieved through the loss of 7 posts. This is a reduction from 29 posts to 22 posts. As a consequence, the service no longer operates through two specialist teams but has been reorganised into two smaller teams with officers undertaking all duties. The Council's corporate outcomes and priorities set the basis for our service plan supporting our tasking and prioritisation of work using the intelligence operating model described in section 4 below. The new operating structure is shown in Appendix 1.

### 4. Intelligence Operating Model (IOM) – Strategic Overview

- 4.1 The Trading Standards IOM has been developed by the National Trading Standards Board (now National Trading Standards – NTS) for the benefit of the profession. It introduced a national intelligence framework to support local authorities with their day to day work and allocation of resources.
- 4.2 The IOM is designed to be a tool to assist in local delivery of frontline services.
- 4.3 The IOM is about the identification and assessment of threats, the management of prioritised threats through enforcement and other activity; and the review of the effectiveness of measures taken.
- 4.4. At the heart of the IOM is the effective use of intelligence. It is, therefore, important to undertake a local assessment of demand and the issues that the Authority has whilst at the same time ensuring that tasking/intervention is aligned to Council priorities.
- 4.5 The IOM aims to enhance the ability of all trading standards services and to enable tasking to a regional or national level where matters are causing significant detriment to consumers and businesses. This enables the local authority to also focus their activity locally.
- 4.6 The IOM does this by providing a framework to:
- Identify and understand what a local, regional and national problem is.
  - Increase understanding of how to deal with these problems more effectively.
  - Provide clearer and more consistent tasking arrangements.
  - Deliver informed decision making.
  - Adopt a problem solving approach.
  - Coordinate enforcement national, regionally and locally.
  - Achieve significant sustained reductions in consumer and business detriment in prioritised work areas.
  - Ensure effective allocation of resources.

## 5. The IOM at a local level - Local Tactical Assessment

- 5.1 The local tactical assessment (a strategic assessment) uses a model employed by the Central England Trading Standards Authorities (CEnTSA) intelligence unit which has been developed from the IOM. The assessment reviews all enquiries made to the service in the preceding year to inform the following years' priorities within the Trading Standards Service Plan (the control strategy).
- 5.2 The local tactical assessment for 2015/2016 is attached at Appendix 2, it is important to note that individual trader names have been removed to ensure compliance with the Enterprise Act 2002. However, it provides numerical data to show where complaints are received and how areas of high complaint are addressed.

## 6. Analysis of Complaints and Tasking

- 6.1 Data is analysed to see which traders are causing the most number of complaints both locally and nationally. Where businesses are based within Birmingham officers are tasked to look further into the nature of the complaints and a decision is then made on any potential intervention depending on the severity of the issues and the detriment caused both to consumers and competing businesses.
- 6.2 Interventions can range from approaching businesses to provide advice on their trading practices, commence consultation under the Enterprise Act 2002 to bring them into compliance and reduce consumer detriment or to instigate an investigation where criminal breaches are identified with a view to appropriate outcomes in line with our Enforcement Policy.
- 6.3 Data is also analysed to identify which sector is causing most complaints. In 2015/2016 the data indicated the priority areas to be as follows (hierarchical):
- Consumer Fraud.
  - Cars.
  - Counterfeiting.
  - Safety.
  - Household Repairs.
  - Under Age Sales.
  - Weights & Measures.
- 6.4 The biggest area of complaint is consumer fraud; this however can cover a range of issues and is often used as a default code when recording. It does not necessarily point towards criminal activity. Often consumers use the term fraud incorrectly; it could relate to a delayed refund or a genuine error in advertising. However, by analyzing the complaints officers are able to investigate appropriately.

- 6.5 The cars category will include complaints about safety, descriptions and poor service. Buying a car is probably the most expensive purchase consumers will make after property. It is important, therefore, to ensure that cars are safe and not misdescribed.
- 6.6 Counterfeiting will include a range of issues from clothing, cosmetics, electrical goods and tobacco. It is important to prioritise where there is a safety concern.
- 6.7 Safety will cover general product safety such as electrical goods, cosmetics and toys and may mirror the counterfeiting complaints.
- 6.8 Household repairs will not only cover poor workmanship but real rogue trader incidents where vulnerable residents have become victims of the most unscrupulous traders.
- 6.9 Underage sales will cover allegations of supply of all age restricted products especially tobacco and alcohol.
- 6.10 Weights and measures will include complaints of short measure products such as fuel and alcohol.

## 7. Council Strategic Outcomes

- 7.1 The intelligence gathered and our response through our new operating model shows our contribution to the following council strategic outcomes:
- A strong economy.
  - Safety and opportunity for all children.
  - A happy healthy city.
  - A modern council.
- 7.2 Due to the significant reduction in resources we have to use the IOM approach and focus our activities in those areas causing most detriment that fit within the Councils strategic outcomes.

## 8. Citizens Advice Consumer Service (CACS)

- 8.1 On 1<sup>st</sup> April 2014 Birmingham stopped the provision of consumer advice to all but the most vulnerable consumers as part of the Council's savings proposals. The Citizens Advice national helpline now offers consumer advice nationally.
- 8.2 As a consequence of the new operating model and IOM approach we have had to update our protocols with the CACS to ensure that we receive referrals linked to our priorities and local assessment. Those that do are passed with commitment to contact consumers and others are sent with no commitment and are closed.

8.3 However, to ensure that we manage the risk of not taking on referrals we undertake a monthly tasking meeting where all referrals; i.e. those that are taken on and those that are closed with no commitment are reviewed. We can then identify the most complained about businesses and complaint types. Depending on the nature of the issues officers are tasked accordingly.

8.4 By going through this process we have identified a number of car complaints. Officers have then been 'tasked' with taking a closer look at the activities of these businesses with a view to undertaking appropriate interventions. Currently these tasked jobs are in the process of investigation and likely to lead to enforcement interventions. The aim of this tasking process is to ensure that businesses are dealt with swiftly to reduce the number of complaints to the service.

## 9. IOM levels - Regional and National Issues

9.1 By reviewing intelligence through the local tasking process we may identify issues that are not Birmingham centric. For example we could have a business based in Birmingham but complaints are in relation to offences outside of our area. Conversely it may be the case that residents in Birmingham are being affected by businesses outside of our control. In these cases it may be appropriate to make a referral for regional or national intervention; these would be considered as Level 2 or 3.

9.2 There are three IOM levels:

- Level (1) – local problems capable of being managed locally.
- Level (2) – Regional problems affecting more than one authority area and may require additional resources.
- Level (3) – National problems resources or tackled at a national level.

9.3 Making a referral for regional or national support is not straight forward and is made through and requires the support of the Central England Trading Standards Authorities (CENTSA) partnership. A tasking request form has to be completed and will be populated with the full details of the business involved and the issues that arise. It will refer to specific breaches of legislation and the detriment being caused. The officer completing the referral will state if it is a Level 2 or Level 3 issue and ask for it to be tasked accordingly. This could result in the case being tasked to a regional Scambusters team or to another appropriate team such as the National E-Crime Unit.

## 10. Consultation

- 10.1 The saving of £120,000 in 2014/2015 and £122,000 in 2015/2016 has been consulted upon as part of the budget setting process for 2014/2015 Council Business Plan.
- 10.2 Staff consultation was conducted as part of the formal process to implement a future operating model.
- 10.3 In January 2016 the Chair of Licensing and Public Protection Committee wrote to the Leader and Deputy Leader raising concerns about the impact of the scale of savings on the delivery of a trading standards service.
- 10.4 Trading Standards undertake a variety of customer consultations in order to gather information on the needs and expectations of our customers and potential customers. Our customers are members of the public who live or shop in Birmingham and businesses that trade in Birmingham. Regular customer satisfaction questionnaires encourage customers to make suggestions for service improvements. The corporate Your Views procedure provides further information on customer needs and expectations. National Consumer Week provides opportunities to engage with the public and to seek their views. Other opportunities are taken as they arise to establish non-customers' knowledge of consumer issues. We utilise this consultation to ensure we comply with the local authority's requirements of the Duty to Inform, Consult and Involve. Our retention of the Customer Service Excellence Standard demonstrates that we are identifying our customers together with their needs from our services.
- 10.5 Recent examples of consultation and customer feedback have included:

- **Consumer Confidence**

We have conducted surveys amongst the public throughout the year to measure levels of consumer confidence as a way of measuring our own success in achieving the government's ideal of citizens being 'informed, confident consumers'. To the end of February 2016 84.3% of people surveyed said that they felt confident buying goods and services in Birmingham. In 2014/2015 the target was reduced to 80% from the previous 90% when trading standards stopped offering civil advice and assistance to all but the most vulnerable consumers, which was anticipated to have a negative consequence for this performance measure.

## 11. Implications for Resources

- 11.1 The work carried out by the Trading Standards Service is within existing budgets taking account of savings made.

12. Implications for Policy Priorities

12.1 The work carried out by the Trading Standards Service is aligned with policy priorities.

13. Public Sector Equality Duty

13.1 The Trading Standards Service provision complies with this duty. It also looks to protect the most vulnerable members of society.

**ACTING DIRECTOR OF REGULATION AND ENFORCEMENT**

Background Papers: Trading Standards Service Plan 2016/2017