

**NATIONAL
TRADING
STANDARDS**

Protecting Consumers
Safeguarding Businesses

ANNUAL REPORT

2017-18

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Chapter 1 - Introduction

This report outlines the work that has been undertaken and commissioned by National Trading Standards (NTS) and its Teams between 1 April 2017 and 31 March 2018.

Specifically we would like to mention that Carol Garrett who leads the NTS Single Point of Contact in Suffolk and for the ports and borders work at Felixstowe, and Louise Baxter who manages the NTS Scams Team, both received royal recognition for their efforts. Louise received an MBE for services to the protection of vulnerable people from financial abuse and Carol received an OBE for her services to border control, Trading Standards and businesses.

The NTS Board ("the Board") set the following Strategic Priorities for 2017/18.

Protecting Consumers – Safeguarding Businesses			
Objective 1 Provide a framework for the effective and efficient sharing of intelligence in order to identify and tackle emerging threats, and support Trading Standards across England and Wales.	Objective 2 Ensure effective delivery and coordination of national and cross boundary enforcement projects in relation to serious consumer protection crime (including eCrime and business to business fraud), illegal moneylending and mass marketing scams.	Objective 3 Provide and coordinate a network of controls at key border points to identify and tackle the importation of unsafe consumer goods and animal feed.	Objective 4 Deliver a programme of animal feed hygiene enforcement to help ensure the safety of the food chain and protect the UK export market.

Table 1 – NTS Strategic Objectives 2017/18

The Board has a National Control Strategy for 2017/18 that was developed having regard to the National Strategic Intelligence Assessment. It informs and directs the work of NTS and outlines the priorities for prevention, intelligence and enforcement activities. The control strategy also linked the work done locally by Trading Standards services to that being done regionally and nationally. The control strategy is NOT designed to require local authorities to undertake activities at a local level. This remains a matter for local authority service planning in accordance with local priorities. However, local authority priorities input into the National Strategic Assessment which then influences the control strategy.

The report comprises qualitative information about each of the funded enforcement projects and Teams and additional work undertaken. This report is designed to provide an overview and examples of cases rather than a full breakdown of activity.

This year National Trading Standards Teams and workstreams delivered the following:-

- 8237 Feed interventions
- Dealt with over £182 million in consumer and business detriment¹
- Had 100 people convicted of offences
- Prison Sentences totalling 230 years and 10 months were handed down
- Had over £48,000 fines imposed
- Took over £70 million unsafe and non compliant goods out of the supply chain

Between 1/4/14 (when all NTS Teams were fully functional) and 31/3/18, NTS tackled £654 million in detriment for a core spend of £53.30² million. £12.28 impact for every £1 spent.

¹ See annex 5 for detriment calculations

² BEIS grant only as detriment figures apply to BEIS related work

Chapter 2 - Programme Office, Funding, Policy and General

2.1 Programme Office

The Programme Office for NTS is provided by ACTSO Ltd. It is funded via a proportion of each of the grants provided by the Department for Business, Energy and Industrial Strategy (BEIS), Food Standards Agency (FSA) and Treasury and a small sum from the Department for Food and Rural Affairs (Defra) to provide support for the National Animal Health and Welfare Panel and support for local authorities in animal disease outbreaks.

2.2 Governance Structures

The Board has established governance groups for each key work area. The governance groups comprise two or more members representing the Board, relevant project leads and support from the Programme Office. These provide the main oversight and strategic direction for the work within each project area. The full Board is advised of progress at regular intervals. Matters requiring a strategic steer or decision are referred up to the full Board. A governance map is available on the NTS website www.nationaltradingstandards.uk.

Two discussion papers were issued to seek views of all regions of two strategic work areas. One covered the whole gambit of governance and tasking structures for NTS as a whole and the second focussed on the future of the feed programme. The Board considered all the feedback at their meeting in September and agreed a new way forward for the feed programme and some changes in relation to governance and pro-active tasking.

2.3 2017/18 Funding

The BEIS grant was £13.23 million. NTS was successful in retaining monies previously spent on illegal moneylending, meaning a real terms increase of over 20%. Over 96% of the grant was spent and, following further debate regarding the level of legal risks and liabilities, BEIS agreed that NTS could carry forward the underspend into a contingency fund for 2018/19. This is a welcome step forward in assisting NTS in managing its budgets and supporting host authorities in managing potential risk.

The FSA feed funding was £2 million which is a 25% reduction from 2016/17. 99.5% of this was spent with the remaining funds being returned to the FSA in accordance with the funding agreement.

Illegal moneylending work was now funded by an industry levy of £4.33 million which gave the England and Wales Teams the same funding as last year. 99.8% of this was spent with the remaining 0.2% being returned to HM Treasury in accordance with the funding agreement.

There are additional funds payable for specific projects. These include continuation of the DCMS project to issue call blockers to vulnerable consumers and funding from the Home Office and other partners to support specific initiatives mainly in relation to scams work.

A full breakdown of the funding provided and actual spend is shown in Annexes 2 and 3.

2.4 Consumer Protection Partnership

The Consumer Protection Partnership continued to be a priority work area for 2017/18. The Chair and Director participate in the Strategy Group. A Programme Officer supports the Operational Group. Grayling, NTS' communications experts, participate in the Communications Group. This Partnership assists in ensuring two way communication and a two way influence when setting overall priorities.

This year the Partnership has focussed on work in three key priority areas of reference pricing, the poverty premium and mobile phone repair and redress, as well as improving intelligence sharing between partners and understanding the implications of the UK exit from the EU. In addition the topic of parcel surcharging has also been looked at.

The Partnership is keen to demonstrate meaningful outcomes of its work, and past work on used cars was examined. NTS supported this through membership of a working group and drawing on knowledge from the current NTS working group on second hand cars, as well as providing case studies on work done by local authorities in this area. A report will be finalised on this shortly. Additionally in relation to cars, NTS liaised with the FCA regarding work they are doing on car finance and Personal Contract Plans.

NTS has progressed a work programme on secondary ticketing that was initially agreed as a priority for the Partnership. The NTS Intelligence Team compiled a series of subject profiles to help the Team assess potential targets for civil and criminal enforcement and more detail on this can be found in the E Crime Chapter of the report.

NTS' communications experts have been working closely with communications teams from the other Consumer Protection partners to ensure that focussed and consistent messages are given to the media and the role and scope of partners is clear.

2.5 Communications and Media

The Board commissioned Grayling to provide communications support for 2017/18, whilst continuing with its partnership arrangements for reactive media support via CTSI.

GRAYLING

Recent cases

Grayling supported a number of hearing and cases led by Regional Investigations Teams. This included Operation Horace and Operation Orange, which both secured substantial media coverage in national and regional media.

JAILED: Rogue builders cheated pensioners out of more than £100,000

Express & Star

Penman Investigates

Builders bullied frail OAPs into having unnecessary work done on their homes which was 'overpriced' and 'shoddy'

Derby Telegraph

BIRMINGHAM MAIL

Left feeling blue

SACK BUILDERS MAILED

Locked up in April: A look back at the criminals jailed in the city

NATIONAL TRADING STANDARDS
Enforcing Consumer Subsequent Actions

GRAYLING

Recent cases

Grayling supported media activity in relation to number of NTS operations including Operation Funder, Operation Spike and a fulfillment house prosecution.

MailOnline

Evening Post

the guardian

the LINCOLNITE

WalesOnline

Lancashire Evening Post

BBC NEWS

DAILY ECHO

Mother and son fraudsters who cleaned up £1.5m by conning vulnerable customers into thinking their Dyson vacuum cleaners needed repairing are jailed for ten years

Man's £500k court bill for selling dangerous electrical goods - some of which caused house fires

Fake Dyson vacuum service family jailed for £1.5m fraud

Mother and son who fleeced elderly in £1.5m vacuum cleaner Leeds fraud are jailed

'You've got three months: telephone scam fraudster given time limit to pay back £128k'

NATIONAL TRADING STANDARDS
Enforcing Consumer Subsequent Actions

GRAYLING

Press office highlights

Grayling's proactive and reactive press office work secured coverage across national, regional and local media. Our activity included supporting the launch of Scams Awareness Month and working with the government on the announcement of the NTS Scams Team's call blocker device project.

the guardian

Herald

TIM DREW: Register to become a Friend Against Scams

MailOnline

'Phantom goods' scams are on the rise as more shoppers transfer money for online items that don't exist

EXPRESS

Elderly abuse warning: Families urged to do more to reduce risk of neglect

BBC NEWS

NATIONAL TRADING STANDARDS
Enforcing Consumer Subsequent Actions

GRAYLING

Consumer Harm Report 2017

In November Grayling launched the first Consumer Harm Report, which highlighted the consumer detriment prevented by NTS and warned consumers about a number of emerging threats, including smart devices. Our press release generated coverage in more than 30 media outlets including The Times, Daily Telegraph and BBC News Online. Lord Tilly Harte was also interviewed on BBC Radio 4's Today Programme.

Mirror

TODAY

THE TIMES

The Daily Telegraph

the INDEPENDENT

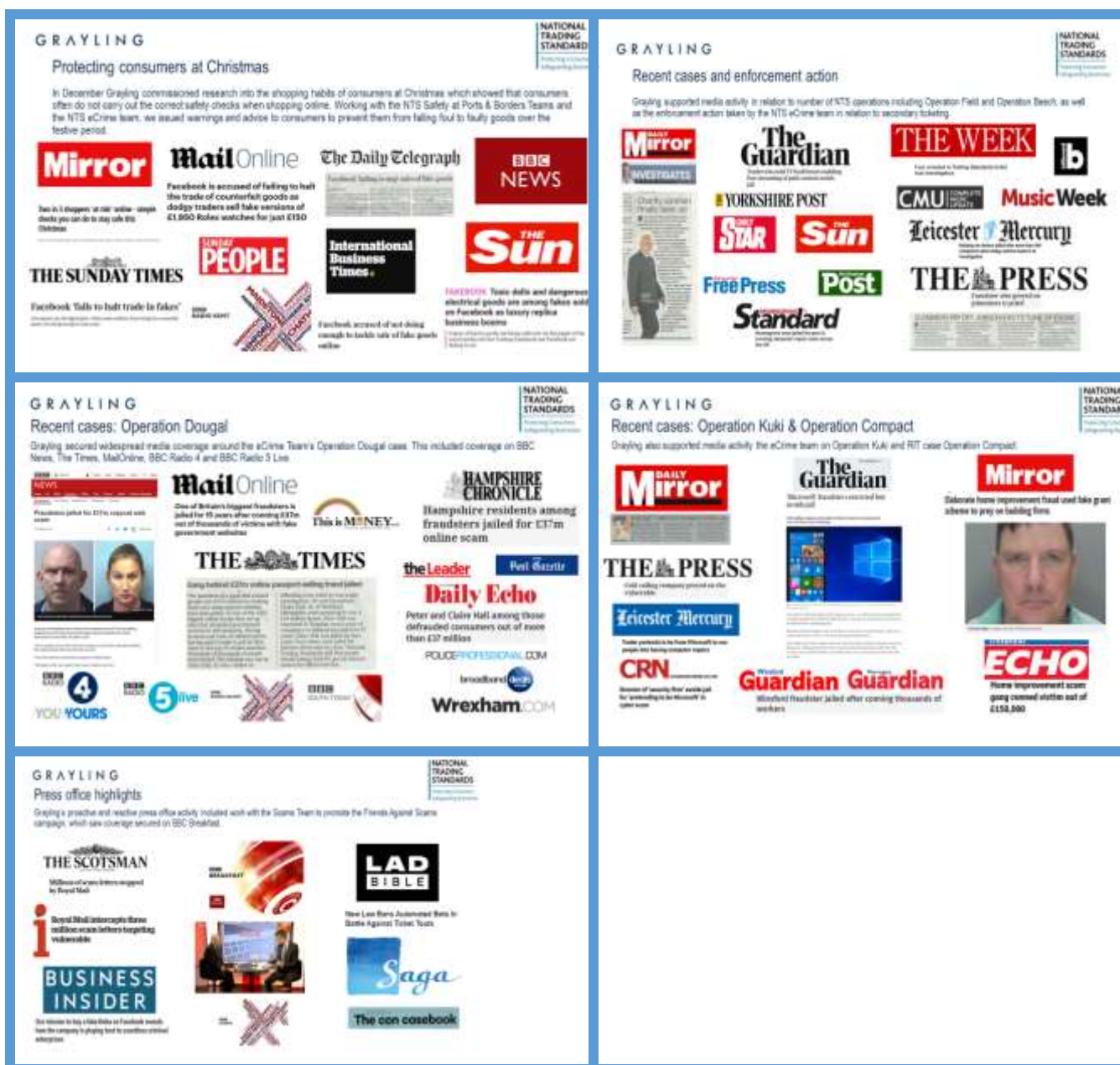
Sun

YAHOO!

METRO

5 live

NATIONAL TRADING STANDARDS
Enforcing Consumer Subsequent Actions



The Programme Office remains responsible for direct communication with the Trading Standards community via its email updates and the secure section of the ACTSO website.

2.6 Parliamentary Questions and Ministerial Correspondence

The Programme Office continues to provide BEIS, and other Government Departments, with support in answering parliamentary questions, freedom of information requests, Ministerial correspondence and press enquiries that relate to the work of Trading Standards.

2.7 Strategic Policy Work and Support to ACTSO

The Programme Director continues to provide high level policy advice and briefings to Heads of Trading Standards via the ACTSO network as part of the Programme Office work and also provides support to the ACTSO Chair. The main areas of work this year have been: the FSA Regulating our Future Programme; lettings market; underage sales of knives and acids; numbers of Citizens Advice referrals; response to Anthrax outbreaks; Brexit; and changes in legislation relating to IPTV boxes.

In addition, ACTSO funds the Programme Office to support its work in managing membership services and providing events for ACTSO members.

Chapter 3 - Feed Delivery Programme

3.1 Background

In April 2014 the NTS, the FSA and CTSI signed a three year Memorandum of Understanding to deliver inland feed enforcement activity and also at points of entry for the period. This has now been renewed for a further three years following a review by the FSA. The aim of this programme is to have a national delivery programme that satisfies the FSA and European Union Food and Veterinary Office. A total of £2 million of funding has been provided for this work for 2017/18. This is a 26% reduction on 2016/17. The programme only applies in England. Separate arrangements have been made in Wales.

Funding is provided for:

- Food and feed hygiene inspections at primary production premises
- Inland feed premises inspections
- Port control work in respect to 3rd Country imports
- Sampling programme
- Project work in respect of delivery improvements.

In May 2017, as a result of the 2016 FSA review of the feed delivery programme, the FSA reviewed its approach and produced a revised draft feed law code of practice and associated business plan. NTS consulted heads of service on the impact of this new code of practice, business plan and a new unit cost structure. In the light of responses, and in consideration of the FSAs very detailed new specifications for the programme, the NTS Board agreed that in future NTS role should be to deliver a programme of work on behalf of FSA rather than jointly setting and governing a programme with the FSA.

Lord Harris met Heather Hancock, chair of FSA, in October 2017 and they agreed that the Feed Delivery Governance group should be disbanded and that all governance decisions would now rest with FSA Officials. There are agreed liaison points at different levels between NTS and FSA and this includes a nominated Board member having strategic liaison meetings with senior FSA officials.

3.2 Overview

Following a consultation with all regions and meetings with the FSA, NTS have agreed new governance arrangements for the delivery of the programme. NTS now delivers a programme of work on behalf of the FSA rather than jointly setting and governing the work. NTS developed and agreed with FSA a new set of KPIs which reflect its status as programme administrator.

NTS has delivered 8237 activities in 17/18. This was within 0.5% of our budget.

64% of inland premises are now classified as satisfactory or above. This is a 10% (abs.) increase compared to the previous year. 34% of farms are now classified as satisfactory or above (14% abs. increase).

NTS reviewed, and agreed with FSA, a range of unit costs for feed hygiene inspection work.

NTS produced feed threat assessment to help focus priorities for future work.

NTS supported the FSA in its work to improve the accuracy of local authority feed registers and databases by publishing the 'top tip' guidance; reviewing and updating the local authority desk top modelling process.

NTS led work to enable FSA to gather the data it requires on the outcomes of the programme. NTS worked with two regions to develop a suite of compliance data points to allow the Agency to better understand levels of compliance in the industry.

NTS have planned and confirmed the programme of work for 18/19. The planning process was reviewed, redesigned and improved as part of the 17/18 programme office work and the allocations process streamlined to reflect the new governance arrangements. FSA officials welcomed the new approach. All regions were ready to start the programme on April 1st 2018.

3.3 Feed Improvement Projects

All the required 17/18 tasks have been completed and details of these are in table 2 below.

Project Title	Due	Project aims and lead	Project update:
Database tips guidance	April 2017	A piece of guidance to help authorities implement ER onto their databases. Consultant John Stewart	Guidance discussed at delayed NAP on 20 th July. Final agreement at a working group teleconference. Published September 2017.
Inspections unit cost harmonisation work	January 2018	A collaborative piece of work with regions to develop an agreed methodology for calculating delivery unit costs. NTS	NTS Board decided both future delivery and unit costs structure in September 2017. Has been discussed at all levels of officials at FSA. A letter from T Harris to Heather Hancock formalised this and was sent 10/10/17 and published on KHUB and via a HoS email October 17.
National Priority Sampling – Nutrients labelling and composition compliance	March 2018	A piece of work to monitor and report on the samples taken to support National Enforcement Priority NTS	Protocol to gather non-compliance and follow up action published in May 17. Regions have all completed their commissioned national sampling. Report to be published June 2018 delayed due to NTS capacity issues and FSA problems in retrieving compliance detail from UKFSS.
Business compliance trends pilot	April 2018	Ongoing work to gather trends from regions on non-compliances. NTS	Agreed with pilot regions (TSEM and TSSW) a harmonised set of non-compliance reporting categories to start collecting 1 st April 18. FSA have agreed to treat 18/19 as a pilot year and analyse data to ascertain if appropriate. Confirmation from FSA that if they decide any further roll out required then this will be via feed statutory return. No further work required from NTS at this stage other than BAU collection of biannual compliance data.

Table 2 – NTS Feed Development work streams

3.4 Feed Delivery

Overall Delivery

NTS delivered 8237 activities in the year. We have delivered to 99.6% of our budget³ and 102% of committed activity nationally. Full results for each activity are can be found in the table at the end of this Chapter.

The small percentage of non-delivery reflects where regions have committed to delivery of activity on 1st April and, due to unforeseen circumstances (e.g. expected consignments not arriving at port or planned products not available for sampling) in the closing weeks of the year, have been unable to complete it. Other activities have been commissioned to replace these. Some of these replacement activities cost less than the original plans which explains the “over delivery” of 102% on committed activity.

National priority sampling – Nutrient sampling.

NTS have completed a focussed national priority sampling project.

The work focused on manufacturing premises and for analysis of feed nutrients which had the greatest potential to compromise human or animal health. These were Vitamin A & D, Selenium, Copper and Urea.

Twenty six local authorities took 140 samples at almost 70 businesses. At the time of writing the vast majority of samples have been found to comply with legal limitations for relevant feed nutrients, with 21% (30) currently being investigated to resolve concerns about nutrient levels and 19% (27) about labelling discrepancies.

With a very small number of investigations ongoing and a number of results still outstanding, a complete report will be made available over the summer.

Imported feed activity

A total of 2161 3rd country consignments have received funded import checks at English points of entry.

NTS have met the contract KPIs for national ports activity by delivering:

- 100% documentary checks (target 100%)
- 8% ID checks (target equal or greater than 5%)
- 8% physical checks (target equal or greater than 5%)

Regular imports nationally are receiving ID and physical checks at 8.9%. Irregular imports nationally are receiving ID and physical checks at 68%.

³ As a % of the budget as accrued at close 31st March 2017.

Few non compliances have been reported at points of entry, those that have related to labelling of products and aflatoxin in ground nuts. All non-compliances have been acted upon.

3.5 Compliance reports

Analysis of NTS desk-top exercise data

As part of its required reporting NTS undertakes an analysis of the level of compliance data submitted as part of its annual desk top planning exercise. Details are shown in Figures 1 and 2 below.

The total numbers of inland premises have risen by 573 (to 22,954) between 2017/18 and 2018/19. Similarly, the numbers of farms have also increased by 947 (to 121,267) within the same period.

Sixty four percent of inland premises are now classified as satisfactory or above. This is a 10% increase compared to 2017/18. Thirty four percent of farms also fall in this category. A 14% increase on 2017/18.

In 2018/19, the FSA redefined the meaning of 'never previously visited'. Formerly this meant 'premises not inspected within the last 5 years', whereas now these are premises 'never' previously inspected. It is considered that this change explains the move of premises from the 'never previously visited' category to the 'satisfactory and above' category. The same pattern is observed both inland and at farms.

The percentage of poor/varying inland premises has increased very marginally from 2.0% to 2.1% (i.e. by 38 premises in absolute terms). The percentage of poor/varying farms remains at 0.5% (absolute reduction of 19 farms). See figure 1.

Pet food manufacturers and suppliers of surplus food account for half of the increase in poor inland premises (i.e. 23 of 45). This is not unexpected given that the number of suppliers of surplus food has increased by 600 since 2017/18 and so we might expect that some of these will be of poor compliance.

An absolute increase in the numbers of poor farms is observed (+235). The increase is at livestock farms only. The majority originate in one region and are a result of on-going database improvement work in partnership with the FSA. Therefore, these figures cannot be viewed as being indicative of a general decline in compliance at farms.

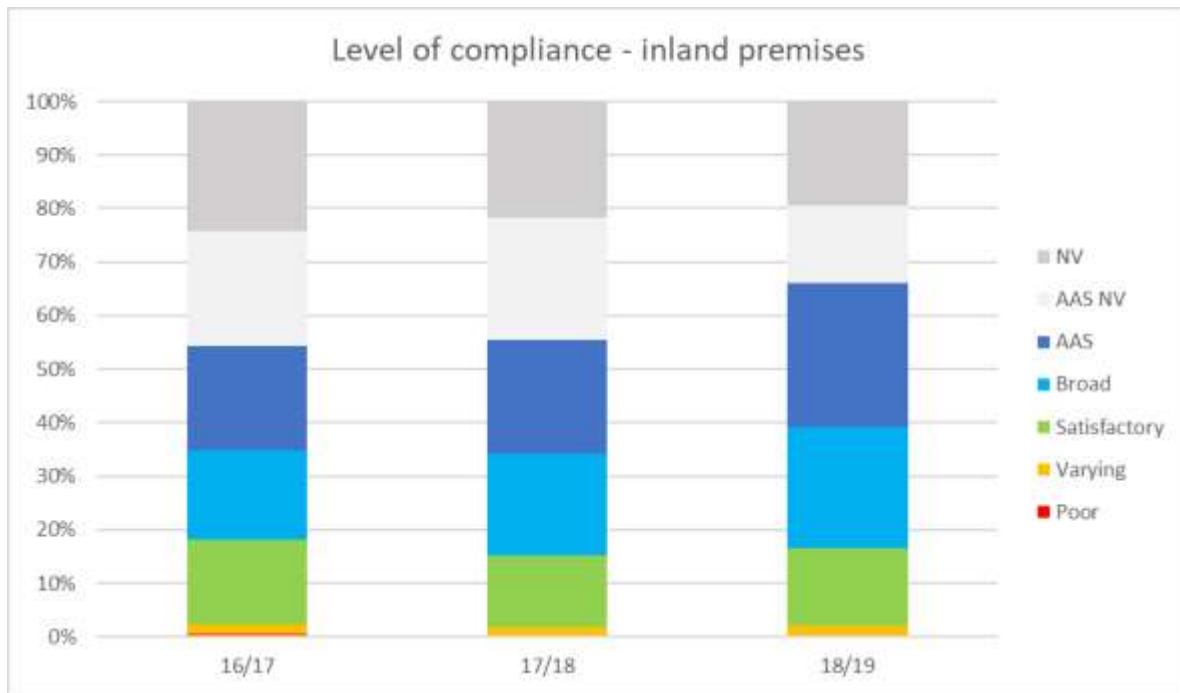


Figure 1. Level of compliance for inland premises (expressed as % of total number of inland premises) using data submitted as part of the desk-top exercise. Data compared between 2016/17, 2017/18, and 2018/19 desk-top.

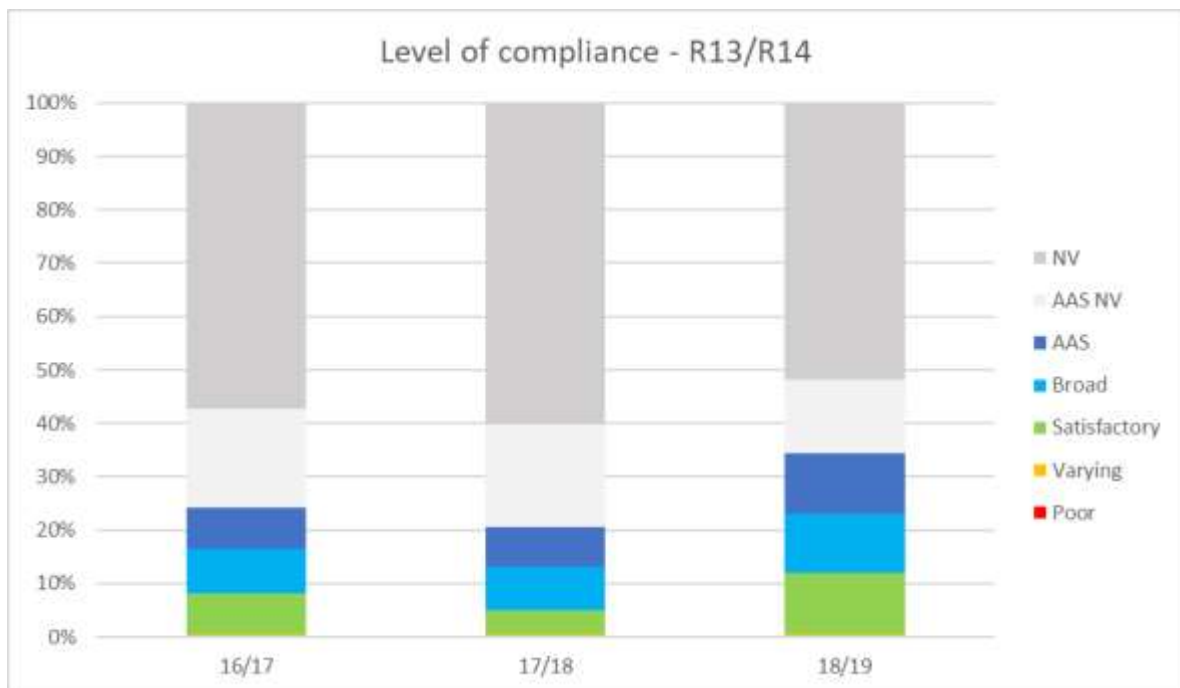


Figure 2. Level of compliance for farms (R13 + R14, expressed as % of total number of farms) using data submitted as part of the desk-top exercise. Data compared between 2016/17, 2017/18, and 2018/19 desk-top.

Business compliance trends analysis

To supplement the national level data provided by the desk top exercise; NTS also work with regions, to gather information on business compliance trends required by the FSA. On a bi annual basis regions produce a report about compliance levels and trends found at inspection.

Data indicates that c. 65% of inspections are now focussed on non-assured businesses. Narrative feedback from regions shows that there is a general impression that members of approved assurance schemes are more compliant with feed hygiene requirements. There are no significant differences between the types of non-compliance found at assured and non-assured businesses.

The main business type associated with HACCP non-compliance in non-assured businesses are suppliers of surplus food, co-product producers, pet food manufacturers and distributors.

The most frequent non-compliance on farms, both assured and non-assured and from data and narrative reports is pest control.

3.6 Support for the National Agriculture Panel (NAP) and the National Animal Feed at Ports Panel (NAFPP)

National Agriculture Panel

The National Agriculture Panel (NAP) meets biannually with busy agendas that have provided the opportunity to influence FSA policy, liaise with national partners and importantly share experiences and respond to technical queries raised by local authorities across the country.

The Panel produced a [comprehensive response](#) to the FSA public consultation on the Feed Hygiene Code of Practice. The new code will fundamentally change the approach to feed hygiene enforcement by local authorities. Discussions have also influenced the development of the [FSA National Enforcement Priorities for 2018/19](#), the pilot for food hygiene work at a primary production level, and progress being made by CTSI towards updating the qualifications matrix.

Representatives from both Red Tractor and Agricultural Industries Confederation, have attended the meetings. The effective exchange of information about compliance provides a check on Earned Recognition. The Panel has been involved in designing and testing a new Red Tractor online platform which will provide enforcement bodies with data about

members. NAP has published a [template](#) for each TS region to return their bi annual feed industry compliance reports, data from which is used to assess these two schemes.

The Panel successfully rolled out a pilot to register multi-site feed businesses. The scheme could provide a simple model giving savings for both industry and local authorities. It continues to be active in developing guidance for feed hygiene officers. Guidance published during 2017/18 has included -

- A [summary of NAP discussions and views in response to all technical queries](#) raised by local authority officers is now available in an easy to access document on the National Agriculture Community KHub.
- [‘Top tips’ to help local authorities keep feed databases current](#) and accurate, ensuring that resources can effectively be targeted at highest risk activities;
- [Guidance on applying compliance scores in a consistent way](#), which means that resources and funding are effectively targeted, responsible businesses retain the benefits of Earned Recognition and this is removed when a feed business fails to reach a satisfactory level of compliance;
- [Guidance on recording details of feed businesses that become ‘known’ to local authorities](#) but have not completed a formal registration form. It will give authorities confidence that they are working from an accurate data set for risk based interventions and support accurate desktop modelling.
- An approach agreed with the FSA and APHA that [enables bakers ‘with tables’ continue to send surplus food for use in animal feed](#) . This aims to minimise the impact of regulation on small businesses while still protecting animal feed.
- [Guidance for local authorities taking samples verify nutrient information on feed labels](#).

The [list of all NTS / ACTSO guidance](#) relating to feed hygiene enforcement and the delivery of the feed delivery programme has also been updated.

National Animal Feed at Ports Panel

The Panel meets biannually and has become an essential forum for ports to maintain communication with each other. It is also used by both the FSA and Defra to seek views, resolve technical queries and share information about changes to national and EU policy relating to imported feed.

The work of NAFPP continues to promote consistency and focus efforts on identifying and targeting resources at higher risk consignments. NAFPP have developed a range of guidance during 2017/18 that support these objectives -

- [Updated guidance on the prioritisation and funding of feed work at ports](#). This guidance underpins the approach at ports, defining how to monitor consignments, identify high risk imports and respond accordingly.
- [Updated definition of an 'irregular' feed import](#). The concept of 'regular' and 'irregular' import is fundamental to ensuring feed work at ports is risk based and resources are focused appropriately. The updated guidance reflects the experiences of ports over the last three years.
- Updated [guidance on referrals to inland authorities](#) to make the expectations on inland authorities clearer and promote communication.
- [Guide to promote the sharing of information and intelligence](#) in relation to imported feed. This covers intelligence about specific feed businesses, samples, industry trends and changes to the type of feed material being imported, which all contribute to what is considered a high risk consignment at the point of entry.
- Updated [guidance on returning biannual imported feed reports](#) to provide clarity on the data that will be collected by ACTSO from national sources for the report, along with the information that will be expected from local authorities with ports.
- [Guidance on electronic certification for imported organic feed](#). Electronic certification of Third Country organic feed is a new requirement, which means local authorities have to access online systems to be aware of incoming consignments and be responsible for authorising them.
- [NAFPP guide to Third Country Representation](#) and links to information on Brexit.
- [Changes to labelling of imported feed](#).

3.7 Regions improving feed delivery

English regions receive funding to provide an administrative and technical feed lead for their regions and all regions have a regional Feed Group. These meetings are attended by partners in VMD and APHA to share updates and look at joint inspection and data sharing. Also via regions, some local authorities deliver feed related work on behalf of other authorities in their areas. All regions have undertaken a range of work to improve and enhance feed related work in their areas. Some examples include: the introduction of feed specific codes on regional intelligence data bases; promotion of the importance of recording intelligence; cross border warranting and the provision of a wide range of feed related training and an interactive photo gallery on key non compliances on farms.

Feed Delivery Performance Data

All England	Committed activity for 2017/18	Delivery					Percentage delivered against (percentage target)									
		Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	Total delivered 2017/18	Apr-Jun 2017		Jul-Sep 2017		Oct-Dec 2017		Jan-Mar 2018		2017/18 total (target = 100%)	
Inland feed inspections	2,455	283	562	603	948	2,396	12	(11)	23	(21)	25	(30)	39	(38)		98
Primary Production premises inspections	2,869	493	631	684	1,111	2,919	17	(21)	22	(22)	24	(22)	39	(35)	102	
Inland samples taken	253	47	56	76	74	253	19	(7)	22	(17)	30	(44)	29	(32)	100	
Total ports activity (3rd country imports)	2,298	517	544	685	742	2,488	22	(25)	24	(25)	30	(25)	32	(25)	108	
Ports sampling and analysis	202	46	23	56	56	181	23	N/A	11	N/A	28	N/A	28	N/A	90	
Overall delivery	8,077	1386	1,816	2,104	2,931	8,237	17	(15)	22	(21)	26	(26)	36	(38)	102	
Overall budget	£1,642,737	£270,456	£359,304	£411,045	£593,235	£1,634,040	16	(15)	22	(22)	25	(28)	36	(35)		
Accrued budget (as of March 2018)*	£1,866,752			Total inc. RC fees		£1,859,040										
*inc. regional coordinator (RC) fees				% of accrued budget		99.6%										

Table 3 – National Trading Standards Feed Delivery Performance Data

Chapter 4 – Intelligence

4.1 Background

One of the key objectives for the NTS has been to develop intelligence led working, to build the associated infrastructure for its regional and national work and to support Trading Standards services in using intelligence locally to help support local work and priorities. A key part of this has been the development and ongoing work of the Intelligence Operating Model that is an intelligence framework to help Trading Standards services, regional Trading Standards groups and NTS Teams to adopt an intelligence-led problem solving approach to consumer and business protection work and intelligence led activities.

4.2 The Intelligence Governance Group

This work is overseen by the Intelligence Governance Group which met three times this year. They reviewed ongoing work to seek access to the Police National Database; the work of the NTS Intelligence Team and regional intelligence analysts; intelligence developments; the Intelligence Operating Model and eLearning; Trading Standards national intelligence databases and other sources of information and intelligence.

4.3 The NTS Intelligence Network

The NTS Intelligence Network includes the NTS Intelligence Team, regional intelligence analysts and regional intelligence support officers. There was a two day meeting in July 2017, for the Intelligence Governance Group, NTS Intelligence Network and regional intelligence managers or action managers. This aimed to provide updates, share good practice and discuss a wide range of intelligence work and developments. The Network had two further meetings and a training event in November, to share knowledge and skills and to receive training from external speakers.

4.4 National Strategic Assessment and Control Strategy

The Board considered and approved the 2017 National Strategic Assessment at their Board meeting in September. It was produced by the NTS Intelligence Team with assistance from the regional intelligence analysts, Trading Standards services and other

agencies. It helps inform the NTS priorities, budgets and production of the NTS National Control Strategy for 2018 – 2019, that was published in March 2018.

The Board agreed that doorstep crime, product safety, fair trading, mass marketing scams and intellectual property should remain the top line strategic priorities for 2018/19. It was also agreed that eCrime and the use of social media as a selling platform, the use of Fulfilment Houses to trade unsafe or counterfeit goods, and tackling Serious and Organised Crime groups were cross cutting issues.

Although the National Strategic Assessment and National Control Strategy should be of use to local authority Trading Standards services and regional Trading Standards groups, in England and Wales, it is not designed to require local authorities or regional Trading Standards groups to undertake any activity at a local or regional level. Unless NTS has commissioned and funded it. These remain entirely matters for local authority service planning in accordance with local priorities, or regional Trading Standards groups' business planning in accordance with regional priorities.

The terms of reference for 2018 National Strategic Assessment have been agreed by the Intelligence Governance Group and it will be produced by the NTS Intelligence Team for the Board to consider and approve at their September 2018 meeting.

The Management of Risk in Law Enforcement (MoRiLE) was used to develop thematic themes and risks in the Strategic Assessment. The Board agreed that this approach should be used for the production of the 2018 Strategic Assessment, as it is widely used by other law enforcement agencies, provides a consistent approach to the identification of priorities and can help support decision making.

4.5 Tactical Assessment Template

Draft amendments were made to the National Tactical Assessment by the NTS Intelligence Team, following the 'Most Complained About Traders' Report recommendations. The revised tactical assessment was circulated to NTG members and shared with regional tasking groups to try and agree a revised template. This will be finalised in 2018.

4.6 Intelligence Operating Model

The Intelligence Operating Model Strategic Overview, Operating Procedures and Short Guide have been updated. The Intelligence Governance Group has developed eLearning

Modules for the Intelligence Operating Model. These are hosted on the Trading Standards South West eLearning platform. They were launched in December 2017 and by January 2018 there was almost 1800 users signed up for the training. All Trading Standards staff and managers can freely use this eLearning resource. It is aimed to help develop and maintain skills and knowledge of the Model, intelligence-led enforcement and tasking. There is also specific guidance on completing intelligence reports. The eLearning may be completed over a period of time and once delegates have completed all five Modules and the knowledge check, they will be awarded a CPPD certificate.

Based on initial feedback, the eLearning has been well received but improvements need to be made to the functionality of the site, and to update the video content and questions. The eLearning Modules will be moved onto a new platform which will be clearer and easier to use and it should be relaunched again at the end of May 2018.

4.7 Police National Database

The NTS application for access to the Police National Database, on behalf of the NTS Teams and local authority Trading Standards services in England and Wales, was approved. NTS has been working to get connectivity to the database but it is a requirement that users link their intelligence systems to PND. It has been difficult to get clear costs from all necessary partners and when these were provided the estimated implementation costs had changed significantly.

The Board agreed in March 2018 to link just IDB to PND rather than link both Memex and IDB to PND. Whilst this is not ideal, and limits partners access to Trading Standards intelligence, it was taken because of the costs as Memex connection cost estimates had increased significantly from their initial estimates. The Home Office has confirmed that they are happy with this approach. The NTS Intelligence Team and regional intelligence analysts will continue to have access to all Memex and all IDB data and will be able to have direct access to PND by using this option. The Board agreed to keep discussions open with Memex so that if their costs or the NTS budgets change, then this can be revisited. It remains a matter for each region to determine whether it uses Memex or IDB as its main intelligence database. This does not need to change unless regions wish to do this.

4.8 National Trading Standards Sanction Information Database (SiD)

The National Action Fraud Network has operated the National Trading Standards Sanctions Information Database since April 2014. It is the means by which local authority officers

notify the Competition and Markets Authority of impending civil and criminal court action and the resultant sanctions as well as providing the resource of antecedent information for those officers. It is continually monitored and reported with upgrades from time to time to ensure it continues to meet user needs.

SiD Summary Data:	At 31/03/2017	At 31/03/2018	Variance
Active Users	2771	2729	- 42
Sanctions added since 01/04/2014	3209	4331	+1122
Actions against legal entities	8283	12241	+3958
Numbers of Active Users has decreased slightly over the year. This is due to regular system maintenance exercises which involve identifying and deactivating accounts where the registered users no longer require SiD access or has left the organisation.			

Table 4 – SiD user data

In consultation with the Information Commissioners' Office, NTS and other parties, the agreement governing the use of SiD was separated into a data processing agreement and a data sharing agreement. These replace the single document that previously regulated the use of the database. This allows those local authorities that do not wish to share details of their sanctions, to do so. The National Anti-Fraud Network has undertaken some development of the website so that the agreements can be accepted and/or rejected electronically. Each local authority has been asked to nominate a Single Point of Contact who is responsible for maintenance of the agreements on behalf of their authority.

In order to satisfy the notification requirements of the Competition and Markets Authority, local authorities must accept the data processing agreement which allows officers to add sanctions to the database and notify the Competition and Markets Authority where required. The functionality is still being tested and should be introduced early in 2018-19.

There are a number of other changes planned in spring 2018 to improve the user experience. The enhancements include superior sorting and filtering capabilities, improved displays, reporting tools, and additional fields.

4.9 Sharing Intelligence with the UK Intellectual Property Office

Following changes on how intelligence reports and handling codes are recorded, Trading Standards data on Memex is now shared with the UK Intellectual Property Office. Any sensitive intelligence would have conditions to protect and restrict access. Equally NTS Teams and Trading Standards services will be able to view the Intellectual Property Office

intelligence that is recorded on Memex, unless again conditions are placed on the data to protect any sensitive information. NTS is very pleased that we will be able to share more intelligence with the Intellectual Property Office, who already use the Memex database, and hope that the intelligence that is recorded on IDB will be able to be shared on a similar basis.

4.10 NTS Intelligence Team

Tasking and National Tasking Group Support

Purpose: The Team acts as an effective analytical resource for the National Tasking Group.

In the period 1 April 2017 – 31 March 2018

- 37 referrals were received and four referral review were completed.
- Three problem profiles concerning subscription trap enablers, used car sales and in support of an investigation concentrating on physical markets, were produced.
- Two short reports concerning second hand car sales and a company operating a subscription trap were produced together with one scoping document concerning technical recycling companies were completed.
- The Team produced a National Animal Feed Threat Assessment for the Food Standards Agency.

Data and Intelligence Partnership

Purpose: To develop/improve the available information to inform the National Tasking Group, the Intelligence Governance Group and the Board.

- The relationship with the National Fraud Intelligence Bureau previously worked well. The Team produced a monthly scams report extracted from National Fraud Intelligence Bureau data for the NTS Scams Team and National Doorstep Crime Project. The data was also of great assistance in the Team's production of Problem Profiles as well as informing the national Tactical Assessment. However the National Fraud Intelligence Bureau has raised concerns regarding the information that was being directly extracted, the use of local authority GCSX emails and information sharing agreements. This was discussed at the March Board meeting. In response, Lord Toby Harris has written a letter to the Director of the National Fraud Intelligence Bureau to ask for an urgent resolution of the problems, otherwise he will raise the issues with the relevant ministers.
- The Team continues to support the National Fulfilment House Project by providing the functions of the Virtual Intelligence Cell which facilitates the exchange of intelligence within Trading Standards with external partners in particular HMRC, and by participating in enforcement activities to gain intelligence. Support was also

provided to the Programme Office regarding the joint NTS and HMRC fulfilment house conferences

- The Team continues to seek access to other data sources working with BEIS and other Consumer Protection Partners to develop a portal facility to access Resolver (a free tool to help consumers raise and resolve issues) and to explore the opportunity to view Ombudsman Services data. They continue to explore intelligence sharing with partners, for example forming relationships with elements of the counter terrorist community.
- One member of the Team has completed a Police National Database Train the Trainer course and is qualified to provide this training to the Team and Regional Intelligence Analysts.

National Strategic Assessment Progress Update

Purpose: *To lead on the creation of the NTS Strategic Assessment and provide information and direction for the NTS Control Strategy.*

- The Team produced the 2017 National Strategic Assessment as outlined above.
- The Team have assisted the NTS Programme Office in preparing and delivering training on MoRiLE (The Management of Risk in Law Enforcement) for regional Trading Standards groups in April 2018.

Regional Intelligence Analyst Network Support

Purpose: *To provide advisory support for the regional intelligence analysts and to assess engagement across the regional network.*

- Engagement between the Team and regional intelligence analyst network is ongoing on both a regular and ad hoc basis.
- All problem and subject profiles are disseminated to the regional intelligence analyst network, and where appropriate to local intelligence liaison officers, to ensure maximum transparency.
- National tactical assessments continue to be sent to the regional intelligence analyst network for dissemination to Trading Standards services in their regional group.
- The report that the Team produces for the NTS Scams Team is also circulated to the regional intelligence analysts for dissemination within their regional group.
- The National Fraud Intelligence Bureau data provided by the Team to the National Doorstep Crime enforcement project is also circulated to the regional intelligence analysts.

Priority Areas Support

Purpose: *to assist key NTS projects and Teams with intelligence requirements as per the control strategy.*

- **NTS eCrime Team:** The Team has a dedicated liaison officer who provides intelligence support as required. The Team produced two problem profiles concerning secondary ticket sales and airline ticket fraud, 11 subject profiles (10 concerning secondary ticket sales and 1 relating to model agency scams) and one short report concerning model agency scams. The Team has also provided ad hoc intelligence support for Operation Jasper 5.
- **NTS Scams Team:** The Team regularly liaises and provides support on an ad hoc basis. They produce a monthly report for the NTS Scams Team.
- **NTS Safety at Ports and Borders Teams and NTS Single Point of Contact:** The Team continues to provide intelligence support on an ad hoc basis and continue to explore how the Single Point of Contact tactical assessment can further enhance the national tactical assessment. The Team has also assisted the Single Point of Contact with the sanitisation of IDB intelligence reports.
- **NTS Estate Agency Team:** The Team continues to provide intelligence support on an ad hoc basis, including assistance regarding Organised Crime Group Mapping and national flagging. The Team provides National Fraud Intelligence Bureau Action Fraud data.
- **NTS Doorstep Crime work:** The Team continues to support the Doorstep Crime project by providing the enforcement and prevention elements with National Fraud Intelligence Bureau Action Fraud data. The Team's intention is to continue to support the project's work with assistance in the production of analytical products, intelligence officer assistance, Organised Crime Group mapping and flagging assistance on an ad hoc basis. The Team has supported the North East Regional Tasking Group with intelligence development for Operation Oak (an investigation concerning rogue fish sellers). They produced an updated short report, refreshed the problem profile (originally completed earlier in 2017) and produced nine subject profiles.
- **Consumer Protection Partnership Support:** Close liaison is maintained with the Consumer Protection Partnership analyst, who receives the national tactical assessment. The Team also attends various Consumer Protection Partnership/Citizens Advice meetings.

Intelligence Data

INTELLIGENCE DATA	Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	TOTAL
Intelligence logs recorded on Memex and IDB⁴	9930	10404	10670	10481	41485
-Percentage change from previous year	-9%	-1.2%	+1.1%	-5.45%	-3.72%
Intelligence Logs recorded against priority areas*	7869 79%	8131 78%	8422 79%	7929 75.6%	32351 77.9%
- Doorstep Crime	37%	39%	37%	33%	36%
- Fair Trading	20%	19%	20%	21%	20%
- Scams	12%	14%	13%	13%	13%
- Intellectual property crime	11%	9%	11%	12%	11%
- Product Safety	7%	7%	6%	8%	7%
- eCrime	13%	12%	13%	13%	13%
Citizens Advice Complaints⁵	138679 12% reduction	133792 17% reduction	130232 3% reduction	157343 33% increase	573221 2% reduction
- Fair Trading and Scams	67%	67%	69%	71%	68.5%
- Doorstep Crime and Cold Calling	11%	11%	9%	8%	9.75%
- Intellectual Property Crime	1%	1%	1%	1%	1%
- Product Safety	5%	4%	3%	3%	3.75%
- eCrime	16%	17%	18%	17%	17%
FIN-NET(Financial Crime Information Network) referrals received	31	40	39	24	134
FIN-NET referrals submitted	2	2	17 (13 NTSIT and 4 RIAs)	5 (2 NTSIT and 3 RIAs).	26
GAIN (Government Agencies Intelligence Network) national referrals received			18	15	33
GAIN national referrals submitted	1	1	2	2	6
Organised Crime Groups (active)	17 (10 NTS RITs; 1 NTS Estate Agency Team; 1 NTS Intelligence Team; 5 local authorities	10 (7 NTS RITs and 3 local authorities)	10 (7 NTS RITs and 3 local authorities)	17 (12 NTS RITs; 1 NTS Estate Agency Team; 4 local authorities	
National Flagging	34 full flags (21 NTS RITs; 3 NTS Estate Agency Team, 1 NTS eCrime Team; 9 LAs.	31 live flags(20 NTS RITs; 3 NTS Estate Agency Team, 1 NTS eCrime Team; 7 LAs	31 live flags(20 NTS RITs; 3 NTS Estate Agency Team, 1 NTS eCrime Team; 7 LAs	57 live flags (20 NTS RITs; 11 NTS eCrime Team; 3 NTS Estate Agency Team; 23 LAs	

Table 5 – NTS Intelligence System Data

⁴ The figures quoted against each quarter period are correct at the time of extraction and will differ from an overall 12 month calculation as logs have to be approved before being added to the system

⁵ Extracted using SEN03 CACS report and a comparison has been made against the previous 12 month period

Chapter 5 - National Tasking Group

5.1 Overview

The National Tasking Group (NTG) is comprised of three Board members and three regional representatives. Others have been invited to participate in the group with non-voting status (e.g. the CMA, the NTS eCrime coordinator and Trading Standards Scotland). It is recognised that members of the group must have the knowledge and experience to make tactical decisions.

The group meets every eight weeks to determine national consumer enforcement investigations and tasks investigations subject to available resources and in accordance with the priorities determined by the Board through its strategic assessment and control strategy. They will task and support regional requests having considered:

- The likely impact of the proposed action;
- The fit with the Board's priorities and strategies;
- The resource requirements, and in particular whether they are proportionate to the benefits gained;
- The risks of both acting and failing to act.

Requests for support are considered on a case by case basis. Any requests for national support have to meet the definitions and criteria specified in the current protocol. The Group will mainly task and deal with requests to support level 3 (national) cases⁶, for example where there are: complex cases; cross-boundary activities; multiple defendants; high levels of consumer and business detriment and/or significant breaches of Trading Standards legislation or extensive fraud. They will also task or assist in the investigation of level 2 (Regional) cases where early action will prevent a case becoming a level 3 case or it will establish a precedent.

5.2 NTG Meetings

NTG met 7 times during 2017/18, including the annual NTG Planning and Review Meeting which took place in February 2018. It reviewed and considered 65 referral requests.

5.3 NTG Budget

The NTG initial 2017/18 budget was £3.27 million. The total value of funding requests made to NTG in 2017/18 was £4,093,887 with an actual spend of £3,352,423 (as the Board re-allocated some additional funds from underspends elsewhere). The NTG budget for 2018/18 will remain at £3.27 million.

5.4 NTG Tasking

Applications for NTG support have reflected the Board priorities for NTS work including Doorstep Crime, Fair Trading, eCrime, Scams and Intellectual Property. NTG has also progressed with its programme of Pro-active Tasking and now has 7 projects underway. More detail on these is provided below.

NTG approved 48 referrals for funding; 3 were not approved, 13 were deferred pending further clarification/information and 1 tasked to the NTS Intelligence Team for further intelligence development.

The NTS Board agreed increased powers of delegated authority for the NTS Director, which allows her approval of referral requests up to £40k. This has been utilised to agree 5 funding requests to the value of £67k. NTG is provided with information on all requests that have been agreed by the Director.

NTG also funded the sum of £45,500 for 3 legal cases taken as part of the backstop arrangements for enforcement of the Advertising Standards Authority. These are detailed later in this report.

5.5 Pro-active Tasking

NTG approved a range of funding requests and project plans as part of its programme of pro-active tasking this year (listed below). The programme includes both follow-on and new projects aimed at tackling issues identified in the NTS control strategy. The projects have been subject to continuing review and have progressed well. NTG received detailed end of year activity reports at its Planning and Review Meeting.

Operation Oak – Rogue Fish Sellers

£12,750 of NTG funding was awarded to support NETSA is the first phase of this work which focussed on intelligence development, providing a Financial Investigator and NTS Intelligence Team support. Active investigations continue to progress against 4 named nominals with work on intelligence gathering against others continuing. A referral request for £60,000 was submitted for 2018/19 which was agreed in principle at the NTG Planning and Review Meeting and which will take this operation through its next stage.

Fulfilment House project

Just over £40,000 of NTG budget was spent on the Fulfilment House project, alongside core funded work by the Programme Office and several NTS Teams. Key outcomes were:

- Two successful prosecutions against; Global Storage Fulfilment by Swansea Trading Standards; and Homing Pigeon Logistics Trade Ltd by Oldham Council. In both cases the defendants pleaded guilty to offences under the General Product Safety Regulations and Trade Marks Act. There was a fine of £38,000 and £66,000 costs for the Director of Global Storage Fulfilment. We are still waiting for sentencing in the other case.
- The NTS Regional Investigation Team Yorkshire and the Humber Trading Standards Group obtained forfeiture orders for the destruction of 16,345 unsafe products seized from the premises of 4PX Express Co Limited.
- NTS has been working with HMRC's Import Fraud Task Force. The outputs have been: regular meetings to discuss strategy and ongoing cases; better shared intelligence; HMRC and NTS notify each other of all planned operations with agreement on the lead agency on relevant cases; and complex international business models have been tackled.
- There have been 12 joint HMRC/Trading Standards days of action. Four of these have resulted in the Fulfilment Houses closing down since this project began.
- Three NTS and HMRC joint Fulfilment House Conferences were held in February 2018 and were well received with over 200 delegates from Trading Standards, HMRC, the Intellectual Property Office and other agencies.
- A NTS Fulfilment House Toolkit is to be produced by Hampshire Trading Standards based on knowledge; experience; good practice and lessons learnt. This will include: templates; how to determine business models; case guidance and website takedown processes.

Fulfilment House work will continue to be an NTG priority for support in 2018/19.

Most Complained About Traders/Double Glazing

Following the production of the above report by NTS, the Programme Office facilitated a meeting in September 2017 attended by 10 local authorities and which generated excellent feedback and shared ideas about tackling these traders. The group has agreed to continue meeting and NTG has agreed to consider further support if the need arises.

Unsafe Cosmetics

For 2017/18 NTG spent £50,000 in support of this project which was undertaken by London Trading Standards.

- Phase 1 focussed on the sale of unsafe cosmetics and illegal skin lightening products sold via a major internet seller. There was intelligence sharing, 100% failure rate on test purchases made, a product barring protocol agreed with a major internet seller via their Primary Authority and successful enforcement action by Waltham Forest which resulted in £20k fines and costs.
- Phase 2 was for further enforcement action, sampling and analysis of seized goods. Investigations are at different stages in Birmingham, Leicester, Portsmouth and Southwark.

A detailed report will be shared with all local authorities.

Counterfeit Goods in Markets (Operation Beorma)

In the autumn, NTG provided £35,000 funding for a co-ordination role for this work. This was led by Birmingham. The first task was to build and consolidate all intelligence and this was led by the NTS Intelligence Team with support from the Intellectual Property Office. The National Markets Group is a major partner. The project is targeted at the wholesalers supplying the market traders and has close links with Operation Jasper (on-line sales). This work will be continued next year with tasking options to be considered by NTG during the first quarter 2018/19.

Doorstep Crime

NTG provided £36,000 funding for a TSNW led enforcement based project. Limited progress was made due to problems accessing intelligence relating to Suspicious Activity Reports (SARs). Funding was also provided to TSSW to focus on profiling the specific OCG/Family Groups involved in Doorstep Crime in their region.

The project will continue into 2018/19 and NTG has agreed to provide £10,000 to support the review and updating of e learning materials and £40,000 to undertake the review of previous Doorstep Crime work (originally agreed in 2017/18 but delayed due to availability of reviewers).

In addition, the NTS Scams Team continues with its safeguarding work and NTG will consider support for legacy and new cases relating to doorstep crime as and when they are submitted.

Used Cars Project

The NTS board agreed that used cars should be an area for proactive tasking in 2017/18 and that this should be a longer term project. This work has been planned and phased to take place over three years. 17/18 was the first year of the project.

The project has the following key overarching objectives:

- Identify the key enforcement issues in the used cars market through systematic and wide ranging intelligence analysis.
- Undertake a series of work streams to prevent, disrupt, enable or take enforcement action on these key areas.
- Ensure the intelligence gathered, best practice developed and outcomes delivered during the project are communicated to the Trading Standards community and CPP relevant partners to reduce consumer detriment in this area.

NTG agreed that, to support action on our used cars priority more generally, Regional Tasking Groups should be contacted and encouraged to bid for funding from NTG on any current level 2/3 investigations relating to used car crime. This contact was successful and resulted in 'one off' funding to the sum of £83,178 for three LTS level 2/3 operations.

A used car expert group was established. This met twice and their technical expertise and operational knowledge were used to develop the work of the programme in 17/18. They will also be key to shaping the detail of the work planned in the 18/19 programme.

NTS has now published a range of guidance, recommended by the expert group:

Car Clocking and its legal status. This was produced by CTSI and covers a number of aspects of car clocking. These include, why is clocking on the increase?; the impact of PCPs and an update on the current status of EU Mileage correction services legislation due to be implemented in May 2018. The guidance is available on the NTS/ACTSO website and the Trading Standards Knowledge hub.

Trading Standards South West have worked across England and Wales and brought together **a library of good practice** relating to vehicle crime enforcement. This aims to enable local officers to access documents and reports which might help in the development of local approaches. It will be a living document and any further examples of documentation that could be shared can be sent to vicki.gracie-langrick@actso.org.uk The library has been published on the NTS/ACTSO website.

SCOTTS also have second hand cars as a national priority and have recently published an updated version of the 'old OFT' **Second Hand car trader guidance** which is available on their website and on the Trading Standards Knowledge hub.

The NTS Intelligence Team completed a threat assessment on the second hand car market in late 2017. This was used to develop a set of tasks to take place over the next 24 months. NTG considered those proposals, including intelligence referral and development, development of effective working relationships with key stakeholders and further funding of local operations at their February 17 planning meeting. They have agreed to continue work on second hand cars as a priority for 18/19 and have allocated an initial budget of £150,000 for this work.

5.6 NTG Reviews

NTG carries out regular case/project reviews throughout the funding period to assure both members and the NTS Board of progress and value for money. Three reviews were conducted in 2017/18.

One review related to a TSSE drainage scam case for which £400,000 of NTG funding had been awarded. The review found that, despite numerous difficulties and delays, the case was proceeding satisfactorily, was being well-managed and that NTG should continue its support.

Two reviews of TSEM legacy cases were also carried out and both found to be well-managed and proceeding as expected. NTG was concerned about continued offending whilst the investigations continued and so this issue would be considered as part of the major case review process that is scheduled for early 2018/19.

5.7 NTG Review of Processes

The Programme Office has further reviewed the activity and performance reporting processes to reduce duplication and aid efficiency and has focused on reporting Regional Investigation Team cases via the regional tactical assessment. NTG welcomed this approach.

Additionally and following feedback from regions, a method for region to region tasking has been formalised and incorporated into the NTG Protocol and Intelligence Operation Model. Whilst formalising the process may make it slightly slower, all regions felt that this was necessary to ensure proper tasking and ownership of all work via Regional Tasking Groups.

An Action Manager's meeting was held in November 2017 to provide an opportunity for regional and national Action Managers to meet, discuss and consolidate their roles and responsibilities and to promote greater consistency of procedure throughout all tasking groups. The meeting allowed for the sharing of good practice, opportunities and challenges. It also reported on the oversight of Regional Investigation Teams, tasking group operational work, intelligence work and feedback on the Tactical Assessment consultation. The meeting was found to be very helpful to all, with Action Managers requesting a repeat in 6 months.

5.7 NTG Planning and Review Meeting

The annual NTG Planning and Review day was held on 27th February 2018 to consider overall budgets, expected legacy costs, known new referrals and likely proactive tasking. It also heard activity and performance reports on outcomes from 2017/18 in key work areas.

Legacy Cases

Referrals were received for £1.53 million for 15 legacy cases. The NTS Board had agreed that such cases were top priority and so all have been agreed in principle, albeit subject to some clarifications and challenges around costings. Sums granted varied from £20k to £520k for a case.

The largest 3 of these are Operation Best (energy scam case led by TSNW Regional Investigation Team and awarded £520,000), and 2 TSEM Regional Investigation Team cases; Operation Schooner (rogue trader case and awarded £219,000), and Operation Comfort (energy scam cases and awarded £162,000), all of which have been ongoing for some time.

New Cases

There was advance notice of 2 potential referrals for new cases likely to be formally referred later in the year. These are a miss-selling of wills/trusts and miss-selling on line of electrical goods.

Training

NTG agreed in principle up to £50,000 for the provision of training in each region on Distance Selling. This was an outcome of the work on copycat websites where one of the issues related to weaknesses or lack of advice by local authorities which “traders” tried to use as part of due diligence arguments.

In addition, options are to be explored for a day of training which will include the outcomes of the major case review and also to cover issues such as exhibit handling on large scale cases.

Chapter 6 - National Trading Standards Regional Investigation Teams

6.1 Background

NTS commissions Investigations Teams from each region except London, East of England and the South East where a combined resource is used. The eCrime and Investigations Governance Group meets quarterly to provide oversight of the work. Representatives from each of the eCrime and Investigations Teams also meet half yearly to consider operational matters.

The Teams are the primary resource for NTS in tackling serious and complex cases.

6.2 Overview

The Teams have achieved some excellent results this year. They started the year with 78 open investigations, rising to 90, and ending with 82. They opened 19 new cases and closed 51 this year. Several long running investigations came to trial with successful outcomes.

Altogether 39 defendants received 129 years 10 months' custodial sentences and 25 defendants were handed suspended sentences totalling 39 years 11 months, with 16 being banned from being a company director, amounting to 106 years. Fines amounted to £8,000. Other penalties handed down included 70 days of community service; three simple cautions, one written warning; one curfew; one Enterprise Act order; and one company accepted a confiscation and destruction of counterfeit goods order without further penalty. Three defendants absconded and warrants were issued for their arrest.

The consumer and business detriment avoided through the Regional Investigations Teams' intervention this year is f £10,906,120.

The Teams currently have 17 cases awaiting trial, 12 are awaiting a decision and six Proceeds of Crime Act confiscation cases.

Two new cases were opened recently: one is a POCA confiscation case following a successful prosecution in Operation Grand, and the other is a preliminary investigation into a suspected rogue trader offering shoddy workmanship and committing CPRs offences.

6.3 Challenges

This year the Teams have faced some difficult challenges, including:-

- The amount of and cost of disclosure. The increasing burden that disclosure in criminal investigations and associated trials means a huge drain on core and NTG budgets.
- Challenges having insufficient resources and expertise to follow up cases with an international element.
- Lack of intelligence submissions from local authorities and partner agencies, including HMRC, around the movement of people and products.
- Reliance on Lead Authority legal teams to make decisions about prosecution once a case file is submitted by a Team can cause delays, especially as their resource has also been affected by local cuts.
- Court delays cause an increase in costs of progressing cases and also deter witnesses from providing evidence so long after a particular incident occurred

6.4 Case Management

The CRIMSON case management system is widely used across the Teams. The user group met twice this year with the provider company to discuss how to develop the system further and training was provided where needed.

There are ongoing discussions with the system provider to harmonise and simplify reporting requirements.

6.5 Significant Case review

Now that several large cases have been completed, the NTS Board have agreed that a review of these cases be undertaken in summer 2018 to consider best practice and where improvements can be made.

6.6 Publicity

The Teams' successful prosecutions have generated media interest with several cases being widely reported nationally, with numerous newspaper articles and features on television and radio. The Investigations Teams have been interviewed for BBC1's "*Fake Britain*" AND "Inside Out" programmes.

6.7 Investigations

The Teams have investigated a wide range of consumer protection breaches this year, focussing on NTS strategic priorities.

Offences relate to doorstep crime; shoddy building and roofing work; car sellers selling clocked, write-offs and/or unsafe vehicles; fraudulent lettings and property agents scams; mobility, vacuum cleaner, telephone and energy scams (including 'energy saving paint'); claims made by a bogus college and a bogus charity; and various holiday scams include timeshare, holiday club and lifestyle credit complaints. The Teams have also investigated fish sellers and fulfilment houses.

One region had a spate of cases reach court this year. They all involved the supply of IPTV/android boxes (accessing restricted intellectual property content, such as subscription TV channels) to consumers.

The Teams have prosecuted rogue traders for: fraud; money laundering; mis-selling; making misleading claims; intellectual property; and property, lettings and commodities frauds, and fraudulent trading under the Companies Act 2006.

The Teams continue to support the local authorities in their regions where appropriate and resources allow. They provided financial support for the forensic examination of physical and digital evidence in disrupting a counterfeit clothing distribution network.

Several cases, where there is no prospect of a successful outcome, have been closed this year either because an investigation is not as serious or large as first thought and the case is tasked back to the local authority or the police or there is a lack of evidence to take the case further. Sometimes the decision not to proceed has been taken by the Crown Prosecution Service.

Examples of key cases are shown below.

Operation Angel – Kitchen Fraud

During this year, the second and third investigations relating to a major kitchen fraud trial, that was successful last year, also progressed. The second trial saw three new nominals, who took over the businesses and continued the same unfair trading practices as in the first trial, being convicted for Consumer Protection from Unfair Trading Regulations and conspiracy to defraud offences. POCA confiscation hearings also took place and Confiscation Orders were made against Vance Miller and his associates for over £2.5m. Miller remains an absconded offender with a warrant issued for his arrest.

NTS reported the outcome of the first Operation Angel trial in Q1 16-17. This saw six people imprisoned for unfair trading practices relating to kitchen businesses. The subsequent seven-week trial for Operation Angel 2 took place in November 2017, a jury convicted two defendants of conspiring to defraud the customers of Vance Miller's kitchen businesses. Kelly Dobson (Customer Services Manager) received three years for conspiracy to defraud; Anthony Eddlestone (Sales Manager) received 27 months for conspiracy to defraud; and Stephen Ford (a nominal that 'fronted' the businesses for Vance Miller) received 30 weeks for breach of Consumer Protection from Unfair Trading Regulations.

In sentencing, His Honour Judge Leeming said: "This was not an isolated offence. It was committed over a considerable period and had a detrimental effect both emotionally and financially on customers. You continued to work for Vance Miller knowing exactly what was going on."

Operation Spinnaker

The long running Operation Spinnaker concluded this year. It is one of the largest cases undertaken by a NTS Regional Investigations Team. The case focussed on a publishing group with a network of over 90 limited companies, numerous publications and separate company identities creating a tangled web of over 150 businesses through which the £7 million annual turnover was laundered. Those businesses targeted other businesses, offering opportunities to advertise in 'exclusive and highly acclaimed publications'. The publications were of exceptional poor quality, mis-sold and often were never published or distributed. At its peak, the business employed over 100 people, mainly at 13 offices/call centres.

12 individuals receiving the following sentences:

- Jonathan Rivers – six years' imprisonment and disqualified from being a director for six years.
- Jagjeet Basra – 40 months' imprisonment and disqualified from being a director for six years.
- Keira Byrne – 23 months' imprisonment suspended for two years and disqualified from being a director for three years
- Dennis Draper – 20 months' imprisonment, disqualified from being a director for three years.
- Ricky Lal – three months' imprisonment suspended for 12 months.
- Neisha Padan – six months' imprisonment suspended for two years.
- Joanne Soen (nee Spicer) – two years' imprisonment suspended for two years and disqualified from being a director for five years
- Barbara Stone – 22 months' imprisonment suspended for two years
- Sarah Taylor – six months' imprisonment suspended for two years.
- Matthew Walker – 16 months' imprisonment and disqualified from being a director for three years
- Andrew Simpson – 38 months' imprisonment, disqualified from being a director for six years
- Thomas Chamberlain – two years' suspended for two years and disqualified from being a director for five years.

Three further defendants received cautions.

Financial investigation into nine of the individuals was also conducted. The following orders were made:

- Jonathan Rivers – Benefit of £1,216,305. Ordered to pay £1,216,305. Sentence in default: 10 years' imprisonment.
- Jagjeet Basra – Benefit of £146,932, which is to be repaid. Ordered to pay £9,047. Sentence in default: six months' imprisonment.
- Keira Byrne – Benefit of £97,865. Ordered to pay £93,912. Sentence in default: 18 months' imprisonment.
- Barbara Stone – Benefit of £20,000. Ordered to pay £20,000. Sentence in default: 12 months' imprisonment.
- Matthew Walker – Benefit of £79,572. Ordered to pay £305. Paid in full.
- Andrew Simpson – Benefit of £154,393. Ordered to pay £30,167. Sentence in default: 18 months' imprisonment.

- Thomas Chamberlain – Benefit of £150,249. Ordered to pay £121,669. Paid in full.
- Dennis Draper – Benefit of £98,971. Ordered to pay £1,251. Paid in full.
- Joanne Soen (nee Spicer) – Benefit £330,655. Ordered to pay £114,494. Sentence in default: 12 months' imprisonment.

As a result of the money recovered to date, every victim who featured as part of the investigation file has had all their money returned. Over £140k in compensation has been paid out.

In total the nine cases relating to Operation Spinnaker calculate to a criminal benefit figure of £2,294,942.63.

Operation Oriole

Since late October 2016, the Regional Investigations Team has supported London Borough of Camden with case management, disclosure and evidence review for this Liquid Fuel delivery fraud case. Following a customer complaint, the investigation focussed on unauthorised modifications to the delivery tanker pipework that was capable of passing air into the metering system. Customers included the BBC, The Mayor's Office, Hospital Trusts, The National Trust, the Police and central government departments. Typical customers purchased £400,000 worth of oil annually from the company.

Initially not guilty pleas were entered to all charges and a three week trial scheduled. Then the company pleaded guilty to 12 weights and measures charges. In November, District Judge Williams fined the company £1,000 each for five weights and measures offences of knowing the equipment was unjust as a result of alterations made to the equipment after it was stamped. There were fines of £1,500 each for two technical offences relating to paperwork associated with the transactions. The judge found no sinister motive for the modification. The stated aim of the modification was to reduce residue. It was stated that the company never had any intent to use this during delivery, or fraud as it would have damaged their valuable tankers.

The company was fined £8,000 and ordered to pay costs of £5,000.

Operation Hornet

The case concerned an organised crime group involved in the import, manufacture and supply of counterfeit DVDs. This was a UK-wide problem with sales made through well-known internet platforms. The products were of extremely high quality and sold for the

retail price of a genuine item. The individuals used fraudulent online/bank accounts to facilitate money laundering. They attempted to hide their activity through a web of fake identifies.

The Team assisted Suffolk Trading Standards to identify and investigate more suspects. Their in-house resource focussed on charging and processing the initial group of suspects. Early on the defendants pleaded guilty to conspiracy to commit fraud, fraud and money laundering offences. In May 2017 at Ipswich Crown Court they received the following sentences:

- Frankie Ansell - three years and nine months.
- Lee Ansell – three years and five months.
- Howard Davey - three years and five months.
- Joseph Plant - 16 months suspended for two years with 200 hours unpaid work.

There are several confiscation orders and the benefit is agreed at £500,000.

Operation Funder

Two defendants were convicted on a single count of conspiracy to defraud customers, many of whom were elderly or vulnerable. They falsely claimed to represent Dyson and conducted needless servicing on consumers' Dyson vacuum cleaners. They used aggressive practices to make unnecessary sales of expensive Kirby Cleaners. Both defendants received custodial sentences (seven and three years respectively) and both were disqualified from acting as a company director. Both lodged appeals against conviction. A timetable was set for POCA confiscation proceedings.

The value of the fraud as determined by the court in sentencing is £1,597,049.00.

Operation Grand

In a £700,000 business-to-business scam (Operation Grand) a company cold called business to say they were launching campaigns to raise awareness about issues, such as, drug abuse, internet safety or child sex abuse for the police and other emergency services. The company falsely claimed it was a charitable organisation with a wide circulation, and hoodwinked customers into thinking that a significant proportion of the money they paid to buy adverts was donated to the emergency services.

Nine defendants were charged with conspiracy to defraud. Initially eight pleaded not guilty of conspiracy to defraud businesses. One has absconded and a warrant was issued for his arrest. Eventually, six defendants either pleaded or were found guilty.

The main defendant received four years imprisonment; the other five received suspended sentences and were ordered to pay costs. A POCA timetable was set.

Business detriment amounted to almost £850,000.

Operation Amorak

A company admitted three offences relating to the distribution of counterfeit clothing and footwear, contrary to s92 Trade Marks Act 1994. A confiscation and destruction of counterfeit goods order was made, although the company did not receive a fine or sentence. This led to 10,000 counterfeit items being destroyed.

Operation Strutt

This case concerned a second hand car dealership in Leicester, which was the base for different trading companies since 2010. The five defendants were directors of some of these companies during this period. Three defendants from Leicester were convicted of Fraudulent Trading offences and for 'Concealing Criminal Property'. They sold defective, unroadworthy and dangerous vehicles to customers across the East Midlands.

- Paul Hanna received a three and a half year prison sentence for four fraudulent trading offences and was ordered to pay £68,980 in compensation to victims. This money was taken from the £70,000 that was found hidden at his property during warrants and subsequently confiscated.
- Jignesh Manani received a two-year sentence for two fraudulent trading offences.
- Justin John received 120 hours of unpaid work for one fraudulent trading offence.

Money laundering charges were dropped against two smaller players in the scam because the evidence from the financial investigation was not conclusive enough to warrant a full trial.

The vehicles were advertised on websites such as AutoTrader and Gumtree and sales staff offered and sold warranties which were worthless. Complaints about faults included perished tyres, leaking fuel and front seat belts that would not fasten. In one case a van sold from the site was found to be 'cut and shut' using a different vehicle's chassis, which was not included in the sales description.

The court heard that a car auctioneer account connected to the businesses purchased a total of 734 vehicles costing £1.38m to sell at the site.

The Judge at Leicester Crown Court commended the Regional Investigation Team and National Trading Standards.

The consumer detriment in this case was assessed to be £80,000.

Operation Field

The Rashid brothers monopolised 'computer repair businesses' advertising across the Yellow Pages and Thomson Local, using hundreds of different trading names in the adverts. They used telephone numbers and partial addresses local to the area where the advert was being run, thereby giving the false impression of being locally based. These adverts were placed across England and Wales.

When a consumer telephoned what s/he thought was a local firm, the brothers dispatched one of their 'engineers' out to the consumer. These 'engineers' were not sent to examine and diagnose the faults and carry out appropriate repairs, although this is what the consumer was expecting. Instead they were under instruction to remove the computer and take it to the West Midlands base. The brothers then deliberately exaggerated the problems found to charge very high prices. There was no proper diagnosis of faults with appropriate charging according to the fault. Instead the brothers' business model was simply to charge what they thought they could get away with.

To justify the prices charged, the brothers would claim they had upgraded the computers with newer software or operating systems. Any software or systems installed were generally 'cracked' (i.e. counterfeit) or effectively 'stolen' by using the licence key taken from another computer in for repair from a different consumer.

Sentencing took place at Birmingham Crown Court. Amir Rashid was sentenced to 3 years imprisonment and Yassar Rashid was sentenced to 18 months imprisonment. These sentences followed their guilty pleas to a charge of conspiracy to commit fraud. POCA proceedings will follow.

Operation Foxchase

The Team assisted Milton Keynes Trading Standards with their investigation into illegal supply of event tickets online by Tickethut Ltd. During the course of the investigation the

defence made many challenges including on the warrants and alleged abuse of Police powers of arrest etc. Eventually fraud charges were laid against the company and the owner, together with money laundering offences alleged against others involved with the company. Ultimately the case was withdrawn and an agreement was reached that the company/director charged would give Enterprise Act undertakings and pay £250,000 costs.

Operation Silk 2

The first phase of the Regional Investigations Team's and West Midlands Police joint investigation into a timeshare/holiday points reselling fraud committed nationally concluded with 10 defendants sentenced for conspiracy to commit fraud and money laundering at the end of 2016/16. Phase 2, the joint investigation with West Mercia Police named Operation Silk has now concluded with another 9 defendants being convicted.

The frauds were committed between 2012 and 2015, and often targeted vulnerable people such as the elderly and those in poor health. In many cases, a three-part scam took place. In the first part of the scam, victims were cold-called by members of the group and falsely told that prospective buyers had been found for their timeshare properties, most of which are in Spain. Advance 'sale fees' and other fees were sought by the fraudsters to support the fake transactions. Fraudsters then adopted different names and company names to contact those who had lost money to make false offers of further schemes and transactions to help the victims mitigate their losses. Finally, the group contacted victims and pretended to be from the Spanish authorities to state that the funds would be returned to the victims' bank accounts for an up-front fee.

All defendants appeared at Stafford Crown Court in February 2018 and were sentenced as follows:

- James Barrass – two years' imprisonment for money laundering.
- Matthew Barker – 13 months' imprisonment suspended for 18 months and 250 hrs unpaid work for fraudulent trading.
- Brian Carr – six years and eight months' imprisonment and disqualified from being a director for 10 years for conspiracy to defraud and perverting the course of justice.
- Daniel Carr – four years' imprisonment for conspiracy to defraud.
- Steven Cross – six months' imprisonment for conspiracy to defraud.
- Dawn Gingell – three years and six months' imprisonment for conspiracy to defraud.
- Brendon Hicks – 13 months' imprisonment suspended for 18 months and 250 hrs unpaid work for fraudulent trading.
- Alan Sharp – eight months' imprisonment, suspended for 12 months and 200 hrs unpaid work for money laundering.
- Craig Walker – three years' imprisonment for conspiracy to defraud.

The total value of the funds fraudulently obtained by this group is more than £875,000, comprising payments from around 470 individuals. (Overall, there were 19 convicted defendants who fraudulently obtained more than £1.8m.).

Operation Compact

Operation Compact related to a home improvement fraud. Three men operated an alleged 'not for profit' business offering home improvements funded by 'grants' from 'Energy Saving Fund' (ESF). Neither the grants nor the fund existed.

Newspaper advertisements were placed and leaflets distributed to homes across the North West, generating huge consumer interest. Over 50,000 enquires made during a 20 month period, led to 2,500 contracts for home improvements. Customers were advised they were eligible for grants. A 'grant assessor' was then booked to visit their home, who was nothing more than a salesman. Consumers were told that the 'grant' was available from financial contributions made by national companies like Pilkington, Marley, Worcester Bosch and VEKA. None of these companies made such 'financial contributions.

Once the consumer decided to go ahead with home improvements, the defendants' business commissioned 'approved installers' to undertake the work at a price lower than they had quoted to the customer. The defendants reassured those 'installers' that after works were completed they would be reimbursed the grant element from the Energy Saving Fund. However, with neither the grant nor Energy Saving Fund existing, the defendants kept the profit from the work, leaving the contractors out of pocket. One contractor estimated he was owed £150,000. During the trial the court heard evidence that one gas installer was made bankrupt as a consequence of his involvement with the ESF.

A 4-week trial at Chester Crown Court culminated in three people sentenced to almost 10 years for their roles in it.

- Thomas Major (58, from Liverpool) - five years' imprisonment for one count of Fraudulent Trading.
- Alan Holloway (60, from Winsford, Cheshire) – three years' imprisonment' for one count of Fraudulent Trading
- Beverley Smith (aged 52 from Warrington, Cheshire) - 21 months' imprisonment for one count of Fraudulent Trading.

Throughout the trial both Alan Holloway and Thomas Major maintained that they had only received expenses whilst the court heard that Thomas Major had established ESF before he pleaded guilty in 2011 to very similar offences.

National Trading Standards Regional Investigation Management Data

General Outcomes	Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	Total
Operations commenced	5	5	6	2	18
Operations concluded	16	8	15	16	55
Operations concluded where the Teams gave assistance to another Agency	10	3	6	10	29
Successful prosecutions	7	3	9	4	23
Victims	3,993	68,315 ⁷	22,920	2,175	97,403
Consumer and business detriment avoided through the Investigations Teams' intervention in the above operations (percentage of the contribution by Team x value of intervention) includes Retail value of seized goods and Financial Value of Complaints that were the subject of investigation	£3,769,085.63 ⁸	£2,120,465.50	£2,657,575.07	£2,358,994.10	£10,906,120.30
No. defendants convicted (imprisonment, suspended sentence, fines, community penalties)	29	4	18	19	70
Total fines imposed	0	0	£8,000.00	0	£8,000.00
Total custodial sentences imposed	16 (52yrs 4m)	4 (18yrs)	6 (21yrs 7m)	13 (439yrs 5m)	39 (131yrs 4 m)
Total suspended sentences imposed	13 (16yrs 8m)	0	9 (20yrs 1m)	3 (2yrs 2m)	25 (38 yrs 11m)
Community service penalties	5 (36 days 11 hrs)	0	0	4 (34 days 4 hrs)	9
Other penalties Written warnings Simple cautions Bans on becoming a co. director Curfews Forfeiture & destruction orders	3 9 (51yrs)	3 (21yrs)	3 (24yrs) 1	1 0 1 1	23
Compensation awards to victims (*to be paid from POCA confiscation)	£233,795.89	0	£895,653.57	£89,752.00	£1,219,201.44
Court costs awarded	£30,000.00	0	£17,778.00	0	£47,778.00
Enterprise Act Undertakings	0	1	0	0	1
Enterprise Act Orders	0	0	0	1	1
POCA Confiscation awards (*Imprisonment in default)	£4,174,966.52 (*18 yrs)	£128,955.00 (*3m)	£3,094,832.00 (*total 9 yrs 4m)	£1,092,597.00	£8,491,350.52
Publicity (includes press releases issued, TV, Radio, Article Local news items)	Several press releases and news articles	BBC's Inside Out & Fake Britain & press releases	Several press releases and news articles	BBC's Inside Out & Fake Britain & press releases	

Table 6 - National Trading Standards Investigations Teams' Management Data

⁷ Victims (Q2 figure amended due £5k under reported)

⁸ Adjusted due to under reporting

Chapter 7 - National Trading Standards eCrime Team

7.1 Background

The Board commissions the provision of the NTS eCrime Team (Digital Evidence Unit and associated investigations) via the Yorkshire and Humber Trading Standards Group. The eCrime and Investigations Teams Governance Group meets quarterly to provide oversight.

7.2 Overview

The Team has opened 4 new cases this year and has 7 current investigations.

Six cases have been closed this year. The Team has had lengthy cases in court this year. Out of the five cases prosecuted, four were successful (Operations Dougal 1&2, Kuki and Judy) with nine custodial and 1 suspended sentences and other penalties including one defendant receiving a 7-year company directorship ban and a curfew. All the defendants were acquitted in one case (Operation Cleo).

Custodial sentences for the year amounted to over 43 years, a large portion of this relating to the work completed in relation to copycat websites.

7.3 Copycat websites

Copycat websites are those that offer services from government departments or local government but are not the official site. They frequently charge a substantial 'service fee', often with no tangible benefit to the consumer.

In February 2014, *six of the top ten businesses* on the Citizens' Advice 'Most complained about trader list' were copycat websites. The Government provided a small amount of additional funds and asked NTS to explore the detriment in this area. In March 2014, NTS asked the NTS eCrime Team to look into the trading practices connected with copycat websites and seek Counsel's advice regarding potential offences. Following confirmation that offences were being committed, the NTS eCrime Team was tasked formally to

investigate two copycat website referrals from Sunderland TS and Hampshire TS. These referrals became Operations Cleo 2 and Dougal respectively. The NTS Intelligence Team confirmed that websites operated by these businesses had been the two biggest sources of consumer complaint.

Cleo 2

The Cleo2 referral concerned a company called Who 4 Limited that had ceased trading. The investigation began in June 2014 and warrants were executed under the Consumer Protection from Unfair Trading Regulation 2008 in the South Shields area. Several arrests were made and numerous digital devices and large amounts of business paperwork were seized. Restraint Orders were served on the key nominals on 1st July 2014.

The three directors of Who4 Limited (and a company called Caveat Viator Limited) had operated copycat websites for passports, driving licences, ESTA visas and self-assessment tax returns (taxreturngateway.com). They had received £18.3m from these websites.

The statements of 498 witnesses and *64,000 pages of exhibits* were served, together with vast quantities of digital material. Following many legal arguments by the four QCs engaged by the defendants (three directors and the company accountant), the Judge restricted the trial to one website (taxreturngateway.com that had taken £5.4m) and a single issue of conspiracy to defraud the users of that site. This significantly limited the evidence that was put before the jury.

The defence was able to show, through correspondence, that HMRC and ASA had, to a greater or lesser extent, reviewed at various stages and approved the taxreturngateway.com website. The defence also claimed they had engaged with local trading standards to operate what they described as a legitimate business. The jury found the defendants not guilty following a ten-week trial.

Dougal 1

The investigation began in June 2014 and warrants were executed warrants under the Consumer Protection from Unfair Trading Regulation 2008 in Alton in Hampshire. Several arrests were made; numerous digital devices and large amounts of business paperwork were seized. Restraint Orders were served on the key nominals on 1st July 2014.

Tadservices Limited operated copycat sites for passports, tax discs, London Congestion Charge, driving licences, ESTA visas and many others. The sole director of this company

was Claire Hall but the 'driving force behind the business' was her partner, Peter Hall. They had received £37.7m from the operation of these websites (through 300 domain names).

Peter Hall was able to disperse assets in the few days prior to service of the restraint order and regularly breached the terms of his order. He was sentenced to 56 days' imprisonment for contempt and 18 months for perverting the course of justice. The defence have regularly challenged the Restraint Order resulting in *more than 20 court hearings*.

The prosecution case was served in April 2015. It consisted of statements from 437 witnesses and 72,000 pages of exhibits together with reconstructions of the offending websites created by the NTS eCrime Team Digital Forensic Laboratory. The actual number of victims will never be known but a conservative estimate from figures put forward by the defence at trial is that Tadservices Ltd had over *one million customers*.

In June 2017, after a 13-week trial at Teesside Crown Court, the jury found Peter Hall, Claire Hall, Collette Ferrow (the office manager) and Bilal Zaidi (a web designer) guilty of conspiring to defraud the users of the websites. They were sentenced to 8 years 8 months', 4 years', 4 years' and 6 years' imprisonment respectively. Liam Hincks (a web designer), who pleaded guilty before the trial, was sentenced to 3 years' imprisonment. Reporting restrictions were imposed by the judge because, at the time of sentencing, Dougal 2 was listed for trial.

Dougal 2

Peter Hall continued to set up and operate copycat websites 'under the radar' through businesses fronted by other nominals, including Liam Hincks and Kerry Mills. Investigators collated new evidence and executed further warrants in November 2015. Peter Hall was subsequently remanded in custody for 184 days for continuing to offend whilst on bail. These new websites were found to have taken a further £2.8m from users, many of whom were resident overseas.

Peter Hall, Claire Hall, Kerry Mills and Liam Hincks, along with one other person, were charged with a range of offences including conspiracy to defraud, money laundering and perverting the course of justice (including one charge for Kerry Mills for remotely wiping her seized mobile phone).

Liam Hincks (who was imprisoned for Dougal 1) pleaded guilty at the earliest opportunity and gave 'Queen's Evidence' over two days at the trial. He explained in great detail how the websites were designed to deceive and multiple versions were created to show different

agencies and Google, as and when necessary. He also said it was a deliberate tactic to engage with trading standards to try to legitimise what was, in reality, fraudulent trading.

Following an *eleven-week* trial, Peter Hall and Kerry Mills were convicted on all counts and each sentenced to *five years' imprisonment* (consecutively in Peter Hall's case). Claire Hall and another person were acquitted by the jury. Liam Hincks' co-operation with the prosecution was taken into account by the judge. He received a heavily discounted sentence of 11 months consecutive to his earlier sentence. Reporting restrictions were lifted and resulted in high-level coverage by the media, including BBC TV and radio and national newspapers.

Peter Hall, Claire Hall, Collette Ferrow and Bilal Zaidi have submitted grounds of appeal against their convictions. Timetables for confiscation under the Proceeds of Crime Act have been set by the Court. The NTS eCrime Team has *£5.1m of realisable assets under restraint*.

Lessons Learned

Digital disclosure in cases of this nature is a massive and highly specialist task. The digital material recovered by investigators in the two operations had over *109 million digital files* that required review. Two specialist officers were employed on each case and a third 'Disclosure' Counsel was engaged upon the recommendation of one of the trial judges.

Where practical, *Restraint Orders should be served at the earliest opportunity*. Peter Hall managed to dissipate £500K in a couple of days following the execution of the warrants. Whilst much of this has now been traced, recovered and placed under restraint, significant additional work could have been avoided if restraints had been served and actioned at the time of the arrests.

Normal evidence gathering techniques were not adequate. *Significant technical expertise was required to demonstrate to a jury* how users engaged with websites and the way websites were designed to bypass disclaimers and warnings. Operation Dougal involved the analysis of dozens of UK based and overseas bank accounts with thousands of transactions. Much counsel (Prosecution and Defence) and court time was spent arguing over money movements. Although an expensive initial cost, engagement of a *forensic accountant is something that should be considered in complex high value fraud investigations*.

Some criminals are actively engaging with local trading standards as a screen. Local authorities must take care not to engage in relationships with businesses whose basic

business model is questionable. In the case of copycat websites, consumers were effectively being asked to pay for something that had no value (additional service claims proved to be false).

Other agencies simply do not understand what may make a website 'unlawful' from a consumer protection legislation perspective. When an agency looks at a website just from their own point of view, it fails to take into account a 'bigger picture' in relation to the interest or legislation of other agencies. This can cause issues, as the defence will use any form of 'approval' in its case to a jury. To help address some of these issues, meetings have been arranged with the ASA and HMRC and a training programme is being devised for local trading standards to be delivered later in 2018/19.

Other Cases

Three smaller copycat website related cases have NTS' support and are ongoing. Operation Cindy is now listed in the Crown Court for June 2018. It relates to the operation of a 'copycat' passport web site and a series of other misleading (although not 'copycat') web sites. The company behind the web sites adopted extremely aggressive practices in pursuing consumers for outstanding monies, including pursuing consumers who failed to complete the entire application process and exited once realising they were not on an official government web site. Over 700 consumers have ended up with County Court Judgements as a result although analysis of evidence suggests several thousand consumers were affected in total.

Impact

The targeted enforcement and education strategy initiated by NTS in 2014 demonstrates that it is possible to make a significant impact to reduce consumer detriment. *Copycat websites no longer feature in the Citizens' Advice monthly 'Top ten' of most complained about traders.*

7.4 Secondary Ticketing

The work programme with the Competition and Markets Authority continues to progress.

There are three operations which concern the large-scale acquisition and supply of tickets for major sporting, music and cultural events. Tickets are acquired from primary ticketing sites and other sources before being offered for sale on various secondary ticketing

platforms. Following the execution of entry warrants in the autumn, the Team has been analysing the evidence seized. Charging advice from Counsel will be sought shortly.

In addition, work continues with plans to tackle breaches of the Consumer Rights Act 2015. The Team now has a fining policy which has been approved. This will allow the Team to start issuing the first 'notices of intent'.

7.5 Examples of other completed cases.

In addition to the operations shown in relation to copycat websites:

Operation KUKI

This Microsoft 'there are faults on your computer' scam case was referred to the NTS eCrime Team by City of London Police. The defendant misled consumers by claiming to be from reputable computer firms. The investigation was led by the Team in close partnership with the National Fraud Intelligence Bureau, Microsoft and Leicestershire Police.

In January 2018, Narendra Harilal Vadgama pleaded guilty to four charges brought under the Consumer Protection from Unfair Trading Regulations 2008 for: providing false information concerning the need for a service; providing false information that the business was acting on behalf of Microsoft and TalkTalk; and denying access to a consumer's own computer to secure payment.

Victims were targeted through cold-calling or with computer pop-ups. In many of the cold-calls his representatives (operating from call centres based overseas) gained the trust of their victims by falsely claiming to be computer technicians from companies like Microsoft. They then claimed that the victim's computer had been compromised and needed urgent action to stop the victim's computer or data from being compromised.

Victims were then encouraged to buy computer services they did not need, and paying to have anti-virus software or security software installed that they could get for free directly from Microsoft. Some of the victims were vulnerable people who were duped into giving remote access to their computers, threatening to shut it down until payment was made. Some victims paid as much as £499.99 to Mr Vadgama's company for unnecessary services, with many paying multiple fees.

Mr Vadgama has been sentenced to nine months (suspended for 18 months), disqualified from acting as company director for seven years and had a curfew imposed for six months.

Operation Judy

The Team investigated this case after 750+ jobseekers complained to the Citizens Advice and Action Fraud helplines. It concerned three individuals running websites offering bogus recruitment and Disclosure and Barring Service checking services. They advertised vacancies for genuine employers using well-known recruitment websites. In reality, the advertised jobs did not exist and the DBS checks were unnecessary.

Jobseekers responded to the ads. Individuals masquerading as representatives of a genuine company contacted victims. Some were informed by email that they had secured a job in a store or office that would be opening in a few weeks' time. Employment was conditional on applying and paying for an 'express' DBS check. This cost between £70 and £100 to be refunded in their first pay packet.

The Team identified 893 victims. The fraud had a devastating effect on a large number of victims. Many were vulnerable, long-term unemployed people seeking low skilled jobs. Others gave up regular employment believing they were making a positive career move. The whole experience embarrassed and humiliated many victims. All three defendants were convicted in December 2017.

Marcus Ashcroft-Jones, aged 35, from Oxford, pleaded guilty to: three charges under the Fraud Act, one charge of participating in operating a fraudulent company and one money laundering charge. He received a custodial sentence of five years and 10 months. He was also sentenced to three years for money laundering (to run concurrently). He was ordered to pay £3,654.85 in victim compensation and disqualified from acting as company director for ten years.

Nicholas Pringle and Darryl Justice were ordered to do 30 hours unpaid work for their part in opening bank accounts on behalf of Ashcroft-Jones.

In sentencing, His Honour Judge Andrew Stubbs QC said: "This was a sophisticated internet based fraud; it was targeted at the needy... It cost the victims their benefits and their self-esteem. You took everything your victims had... It was obvious this was not the limit of your fraudulent intentions. It was only stopped by the disruption of the investigation." The judge also commended the work of the Team.

Websites operated by Ashcroft-Jones received payments of £102,000 for these non-existent jobs.

The consumer detriment in this case is £102,000.

7.6 Examples of Ongoing Investigations

In addition to the copycat websites and secondary ticketing cases shown above, the Team also has the following ongoing cases.

Operation Gilbert

A new investigation into an alleged fraud connected with a number of model agencies and photography studios. Consumers are initially attracted by a Facebook advert offering a “free” photoshoot to see if they are suitable candidates for modelling work. On completion of the photoshoot, almost all consumers are then told they could get work as a model but to sign up with the agency they need to pay for “copyright” on the photos that have just been taken. Consumers are then subjected to a high-pressure and aggressive sales process to persuade them to pay for the “free” photos. Prices paid for the photos vary from £300 up to £2000 and very little (if any) modelling work is subsequently provided.

Operation Lily

This investigation concerns web sites offering various electrical goods for sale (TVs, digital cameras etc.). Analysis of complaints suggest that consumers did not receive the exact product they ordered, or in many cases, they received no goods at all. Over 800 consumers were affected by the web sites. A trial has been listed for March 2019.

7.7 POCA update

Operation TOTO

Ahmed was sentenced to 6½ years imprisonment in December 2013 for fraud offences arising from a misleading trade directory website. After several adjournments the Court determined that the benefit figure from Ahmed’s particular criminal conduct was £737,200 and the available amount £33,165. The available amount has been paid as compensation to one of Ahmed’s victims.

The criminal benefit in this case was £737,199.72

7.8 Online content and website takedowns

‘Real Deal’ online

A working group and pilot program was formed this year to expand the ‘Real Deal’ campaign to include online marketplaces. The pilot is initially focusing on Facebook ‘buy and sell’ pages. Five local authorities are taking part in the pilot which will continue to run into early 2018/19. Subject to its success, there may be a wider roll-out, along with a tool kit which is planned for launch at the CTSI Symposium in June 2018.

EU e-Enforcement Expert Group

Work with various online platform operators started this year to agree a ‘notice and takedown’ procedure. The Team is working with CMA to test this process with Facebook. Several profiles have now been taken down. The Team will continue to test the process with other platforms before a wider rollout later in the year.

“Tech support” frauds

Earlier in the year the Team disrupted the activities of traders running “tech support” frauds. Various frauds attempt to take money from consumers to fix non-existent problems with their home computer or printer. Over 160 websites and Freephone numbers linked to these frauds were taken down.

7.9 Digital Evidence Forensic Support

The Digital Evidence Unit continues to work on the national investigations and provided forensic support to nine new local and Regional Investigation Team investigations. In total this year the DEU has supported 37 new Regional Investigations Team or local authority led investigations and examined 133 PCs/laptops, 89 mobile phones and 111 other devices (iPads, memory sticks etc.) submitted for forensic examination.

7.10 National Markets Group and Operation Jasper

Phase six of Operation Jasper took place in the autumn. This was used as a “catch up” operation to deal with a number of outstanding investigations and some further investigations that resulted from mobile phone based intelligence gathered during the fourth

phase of Operation Jasper. It was also combined with a Europol led operation that has used Jasper as a best practice template to roll out a range of enforcement and disruption activities across Europe. In all, eight warrants were executed at various addresses across England and Wales in relation to large scale suppliers of counterfeit goods on Facebook.

The Team won an Award from the Anti-Counterfeiting Group for “outstanding contribution to industry” for their Operation Jasper and “tech support” scams work.

7.11 Communications

The Team proactively develops its media presence, particular online. The Team’s social media activity and Twitter presence has grown substantially throughout 17-18. This year:

- the Team issued 6,609 tweets, achieving over 4.1 million impressions and the content was re-tweeted 7,800 times. Over 11,800 people ‘favorited’ the Team’s tweets.
- 10,400 links posted were clicked through to read that content.
- 31 March 2018, the Team had 18,800 Twitter followers.
- the Team’s website continues to receive thousands of unique visitors, with over 46,406 page views this quarter.

The Team were quoted or had content featured in over 75 broadcast, print and online media sources, including BBC News, BBC Radio4, 5 Live and various local radio and BBC outlets, Sky News, The Times, The Telegraph, The Guardian, The Daily Mirror, The Sun and Go Compare. The Team featured in an episode of BBC’s Fake Britain. The Team also supported the work of National Consumer Week.

7.12 Training

The Team’s training modules have now been migrated to the new platform to sit alongside other NTS e learning materials. Testing of the new platform is now complete and the modules are available.

As outlined in the copycat websites section, the Team is working with Counsel to prepare a series of training events around the country for 2018/19 building on the learning from the recently completed copycat web site trials. It aims to give trading standards staff an overview of applicable case law and legislation, alongside some detailed guidance on what to look for when trying to identify misleading web sites.

National Trading Standards eCrime Management Data

General Outcomes	Apr-Jun 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	Total
Operations commenced in the quarter	0	0	4	0	4
Operations concluded in the quarter	1	1	2	2	6
Operations in the quarter where the eCrime Team gave assistance to another local authority/agency	7	10	11	9	37
Potential fraud uncovered	£737,199	£35,400,000	£20,102,000	£2,805,700	£59,044,899
Enforcement Outcomes of eCrime Team Operations					
Defendants convicted	5	0	3	4	12
Total fines imposed	0	0	0	0	0
Total custodial sentences imposed	0	5 (25yrs 8m)	1 (5yrs 10m)	3 (11yrs 6m)	9 (43 Yrs)
Total suspended sentences imposed	0	0	0	1 (9 m)	1 (9m)
Community service penalties: Unpaid community work	0	0	2	0	2
Other penalties: Director disqualifications Curfew	0	3 (22 years)	1 (10 years)	3(25 years) 1 (6m)	8
Disruptive activity/intervention	0	0	0	0	0
Compensation awarded to victims	£33,165.00	0	£3,654.00		£36,819
Court costs awarded	0	0	0	0	0
POCA confiscation awards	£33,165.00	0	0	0	£33,165.00

Table 7 – NTS e-Crime Team Management Data

Chapter 8 - National Trading Standards Safety at Ports and Borders

8.1 Background

For 2017/18, NTS commissioned work at the following ports and borders: Southampton, Felixstowe, Tilbury Docks and London Gateway. Heathrow, East Midlands, Manchester, Stansted and Birmingham airports, and the two postal hubs at Coventry and Langley. The work at Birmingham airport is new for 2017/18 following successful trial project work.

Intelligence and referrals were provided to all ports and borders except East Midlands by the NTS Single Point of Contact unit based in Suffolk with the seconded Border Force Officer based at East Midlands Airport providing referrals from the Anti-Smuggling Net to Stansted and East Midlands. For 2017/18 the governance group introduced reporting against the types of referrals received which is shown in table 10.

The work is overseen by the NTS Ports and Borders Governance Group. Further to the establishment of the Office for Product Safety and Standards within BEIS, two representatives have been given standing invitations to all future Governance and Operational Managers meetings.

Further information from the Single Point of Contact and the UK Border Force seconded officer at East Midlands Airport is detailed below. Case studies and statistics are supplied that cover the work at all the NTS funded ports and borders.

NTS is as always grateful to all the inland authorities who so often make the vital link in the chain of custody for imported goods checked at the border. They can assist in ensuring the goods do not re-enter the supply chain, and often then work with their business to try to ensure future compliance. Without this vital work, NTS would not have the impact it has on product safety in the UK.

8.2 Overview

The work prevented over 800,000 unsafe and over 1.4 million non-compliant items entering the UK supply chain. The cost to society, had these items not been removed, is calculated to be over £70 million.

Over 3000 referrals were made and in over 60% of the cases some form of safety issue was identified.

In addition, using the wellbeing measures from the independent review that took place in 2014, we estimate that this work ensured 1565 serious injuries were avoided, 1341 fires were prevented and four lives were saved⁹

8.3 Border Force Seconded Officer at East Midlands Airport

A record number of consignments were examined in 2017/18. Leicestershire Trading Standards have a core team of four officers who work in the ports team who are experienced and dedicated and this produces the outcomes that have been improving year on year. Other officers from the service work on the project as required and so retain practical knowledge for resilience.

40 consignments in the year were 'abandoned', i.e. there was no response to contacts or there was a non-existent delivery address on the consignment.

Working arrangements with UK Border Force remain excellent, the UK Border Force officer assigned to the project is skilled at identifying the products that Trading Standards have put forward to be targeted, and these are then detained at the carriers for examination by Leicestershire.

The Office for Product Safety and Standards visited to discuss the work and see the operations at the airport first-hand.

8.4 Single Point of Contact

Requests from individual border authorities for 'tailored' controls have continued.

There continues to be a challenge for border authorities to accept and manage consignments where there is no identified entity within the EU who can be held responsible for the compliance of the products.

⁹ Calculated based on the methodology from the Matrix independent report 2014

The number and different types of businesses using the fulfilment house model continues to grow and it seems that the model has future longevity. The Team is keeping close contact with the NTS Programme Office with regard to the wider fulfilment house work being led by them and has provided a range of advice on this issue.

The potential threat of goods arriving in the UK via the China/UK train continues to be monitored through liaison with HMRC. At present, there is no evidence to show that the goods being carried are being released onto the UK market. Monitoring will continue and if the risk level changes, this will be brought to the attention of NTS.

Officers continue ongoing liaison with officers from the Office for Product Safety and Standards and provide advice via a range of working groups within Government.

8.5 Case Studies

During the year, all the Teams find a whole range of unsafe and non-compliant goods. Below are a few examples.

Electricals

In January 2018, UK Border Force officers working at London Gateway referred a consignment of small electrical ovens, originating from Turkey, to Thurrock Trading Standards. The ovens were poor quality and some were fitted with two-pin plugs, so the consignment was held pending test results. In addition to the two-pin plugs, tests identified a number of safety failures; the external temperature of the ovens reached 83 degrees which posed a risk of scalding or burns; the cable holes had sharp edges which could damage the insulation on the wiring and the product was not properly earthed. The consignment was refused entry and the importer was advised to destroy all 710 ovens. The importer went through all of the authority's internal appeals procedure and also complained to the Turkish Embassy, before finally agreeing to sign over the ovens for destruction.

In March following a referral to Manchester Trading Standards from the Single Point of Contact, two samples of adaptors were submitted for testing from a consignment of 210 imported through Manchester Airport. The items were heading for a fulfilment house in Salford. The samples were not labelled correctly, had no instructions, there were failures in relation to insulation and dimensional requirements and were not fitted with an appropriate fuse link. In addition the laboratory were unable to test one item fully as it proved totally

unstable under any working load applied. The samples were deemed to be unsafe. The items were all destroyed.

At East Midlands Airport, a consignment of 1,200 laser pens were found to be unsafe as the lasers were too powerful. The pens were tested and found to be a Class 3B laser strength, which should not be on sale to the general public. If the laser beam from one of these lasers was pointed into a human eye, it would be approximately twice the level considered likely to cause a life-changing permanent eye injury. The laser pens were all detained, signed over to Leicestershire Trading Standards by the importer and the materials arranged to be recycled. Subsequently the importer was suspected to have imported other consignments of laser pens, including one that may have had the description 'LED lights' on the consignment. This information was relayed to the inland Trading Standards service where the importer is based, and they are investigating the potential that the importer was in receipt of and sold further laser pens that may be non-compliant or unsafe.

In December 2017, a referral was made on a consignment of mixed electrical products imported from China by a small business based in North London to Thurrock Trading Standards. The goods were destined for a self-storage facility and would be sold online. Officers sampled three products; a hairdryer, a light-up glass kettle and a power bank. The consignment was kept on hold due to safety concerns. The light-up glass kettle had a counterfeit fuse which did not comply with British Standard 1362 which means the fuse may be ineffective or could 'blow' and cause injury and damage to property. The hairdryer did not have a thermal cut off which means it could easily overheat, for example if the user placed it on a duvet or towel. During testing the hairdryer caught on fire (resembling a flame thrower) and melted. The laboratory stated that it has only ever seen one hairdryer as dangerous as this and advised that the safety device only costs a few pence. Officers refused entry to the hairdryers and kettles (904 units in total) and will now destroy them.

UK Border Force intercepted a consignment of 2000 Red 360.TV Set Top Boxes which were presented for clearance from Turkey, destined for a shop in London. They were initially concerned about the declared value of the goods but were also concerned about the power adapters for the boxes which only had two pins for connection to mains electricity. The consignment was referred to Kent Trading Standards. The importer stated that they had sourced travel adapters to allow them be connected to a standard UK mains socket. The importer was unable to produce test reports which were traceable to the adaptors in question. A declaration of conformity was provided which was found to contain typographical errors and bore the same date as its day of production date to Kent Trading Standards. It was therefore deemed to be of questionable origin. A Notice was served. The potential harm to consumers is the risk of electric shock from using an appliance which is not intended for use in the UK and not designed for safe connection to the UK mains. The

goods were re-exported by the importer back to Turkey the country of origin. The street value of the consignment is estimated to be in the region of £240,000.

In June 2017, Thurrock Trading Standards received a referral relating to a consignment of mobile phone chargers imported by a major high street budget retailer. Two models of charger were sampled and it was found that neither was marked with the name and address of the manufacturer. The consignment was released and samples were submitted for testing. One of the products was found to be unsafe due to inadequate insulation and incorrect pin dimensions. By chance, during manifest searches a further consignment of chargers imported by the same retailer had been put on hold. This consignment had an additional 4,800 units of the unsafe chargers. Entry was refused to the chargers and after some consideration the retailer agreed to sign them over for destruction.

In the spring, one importer known to Suffolk Trading Standards, who operates under the fulfilment house model, was intercepted importing a container full of Christmas lights. The goods were to be customs cleared at Felixstowe and then delivered to a fulfilment centre in Spain. The consignment contained over 61000 identical products all of which were assessed as unsafe. Utilising the agreement with the Primary Authority all the information was forwarded to them for further action.

Baby seats

While manifest searching in January 2018, officers at Thurrock Trading Standards identified a consignment from China described as 'Baby Mini Booster'. They requested import paperwork and found that the consignment was 3,500 baby booster seats with toys. The importer stated that the products were compliant and that identical products were sold by other retailers. However, when officers inspected the consignment it was noticed that the boxes were not CE marked despite the presence of the toys. Testing confirmed that the products were not labelled with adequate warnings and should be CE marked. In addition a number of safety failures were identified; locking mechanism, chair attachment, restraint system and plastic packaging. The importer and their Home Authority wished to submit a further sample for testing which subsequently confirmed that the results were accurate. The Home Authority is now working with the company to take corrective action and rectify the non-compliances.

Mixed consignments

Suffolk Trading Standards identified a previously unknown importer who runs a small electronics shop. The paperwork identified over 50 different product lines none of which

matched the product being currently advertised for sale. Items included six different types of scooters, baby strollers and baby walkers. The importer had ordered end of line type items. One carton of digital massage machines was found and referred to the Medicines and Healthcare Products Regulatory Agency. The importer could not produce any safety documentation for any of the products. 19 product lines were assessed, all of which were either unsafe or non-compliant. 260 items were assessed as unsafe and destroyed by the importer, 437 were reworked with the assistance of the Home Authority. 100 items were removed from the market by the Medicines and Healthcare Products Regulatory Agency. The importer incurred heavy losses to the business due to the storage/destruction charges and the overall cost of the process. However, they do now have a relationship with their local Trading Standards Service.

The Suffolk Trading Standards Team at Felixstowe intercepted three different consignments imported by the same importer which all contained potentially dangerous garden equipment. All the products were destined for an on-line marketplace. The first product was subjected to a visual assessment and the matter referred to the Primary Authority. A month later a consignment of brush cutters was intercepted. They were assessed as posing a serious risk because there was no evidence the cutting blade conformed to appropriate standards or that the maximum safe operating velocity of the blade was less than the machine's maximum stated velocity, meaning the blade could potentially shatter in use. The product also required improvements to the instruction manual and markings and a valid declaration of conformity. The third consignment contained earth drills which were also assessed as being unsafe. The importer attempted to demonstrate compliance by sending a declaration of conformity but the dates did not correspond and so it was invalid. The importer decided to have the consignment destroyed at the border.

Jewellery

A consignment of six jewellery items destined for a large fulfilment house was intercepted by Leicestershire Trading Standards at East Midlands Airport. Samples were taken, and the bulk was delivered on to the importer. This is as per an arrangement with the Primary Authority to risk assess the items and for the business to consider an initial hold on sales of items. Samples of the jewellery were sent for laboratory test for excessive amounts of metals, including cadmium, nickel and lead. One of the pendants contained 1,270 times the safe level of cadmium and three times the permitted safe level of lead. Five of the items were reported as containing a significant proportion of nickel which was likely to exceed the maximum permitted migration level. In liaison with the Primary Authority the items were removed from sale by the fulfilment house.

The Suffolk Trading Standards Team at Felixstowe received a referral for a consignment being imported by a long-established family run business which specialises in producing museum re-production pieces for giftware shops in museums and castles. The consignment contained 900 twisted gold bracelets. The business could not produce any safety documentation and were shocked when the safety assessment conducted highlighted 65 times the permitted level of lead. Additionally, it was the opinion of the test house that the item contained a significant proportion of nickel which it considered would migrate with skin contact and would be likely to exceed the maximum permitted migration level. This matter is now being managed by the inland authority.

Toys

A consignment of soft toys was referred to Solihull Trading Standards. The importer was a packaging company, so it was unusual that they should be importing toys. On inspection, it was found that the toys carried no markings whatsoever. On advising the importer, trading standards were informed that the toys were a promotional item. The importer required the items for an imminent event so following liaison with their local Trading Standards they decided to have the toys tested so they could be cleared for supply.

In March a consignment of 4,028 'squishy' toys were examined by Manchester Trading Standards at Manchester Airport. These were destined for a business in Salford. The toys were deemed to be non-compliant as they bore no labelling whatsoever. Liaison took place with the agent and the inland local authority and it was agreed that the items would be released on the understanding that they would not be sold until the inland authority were satisfied that test certificates were obtained and the labelling issues addressed.

In December 2017 a consignment of 4500 'plastic monkeys' were imported through Heathrow by a Hertfordshire based importer. Buckinghamshire and Surrey Trading Standards suspected that the monkeys infringed the registered design rights of WowWee Ltd who manufacture Fingerlings. In addition they were not packaged and lacked any relevant markings or warnings. Samples of the monkeys were submitted for further tests including the presence of phthalates. Tests revealed that the monkeys contained the relevant chemical at 240 times and 160 times above the permitted levels. Further work was undertaken with Hertfordshire Trading Standards as the importer was initially being obstructive and failing to disclose an accurate record of previous imports. It transpired that the importer had previously imported 16,000 of the monkeys which had also not been subject to a full and proper conformity assessment. Hertfordshire Trading Standards are now working with the importer to recall these items. The 4500 monkeys at Heathrow will be subject to destruction. Colleagues in Glasgow had discovered similar monkeys from this importer on sale in their area and were also taking action in respect of labelling issues.

A mixed consignment that was destined for a regular importer but which was apparently abandoned at an External Temporary Storage Facility in December 2017 was examined by Southampton Trading Standards. A doll toy was found to have excess phthalates. Rubik's cubes were found to be counterfeit and a toy gun was reported as resembling a real firearm contrary to the Violent Crime Reduction Act 2006. Southampton Trading Standards dealt with the dolls and the other items were referred to Border Force. The container is now back at Southampton Port awaiting a further inspection plus removal of the identified non-compliant products. The consignee has agreed to the destruction of the dolls, the brand holder for 'Rubik's Cube' will fund the destruction of those items leaving UK Border Force to deal appropriately with the rest.

In the autumn, at East Midlands Airport a consignment of various colours of magnetic toy putty in 200 circular tins, which included a small magnet and two discs for use as eyes, was examined and sent for laboratory test and found to be unsafe. The tins were incorrectly CE marked, had no EU business address, no age restriction with reason and no batch code or mark. The instructions for use and safety information were not in clear English. The laboratory reported that the magnetic flux result on the magnet exceeded the maximum permitted in toys by 186 times. In addition the magnet and eye discs were potentially harmful if swallowed by young children. Enquiries by Leicestershire Trading Standards revealed that this was a small importer working from home who wanted to make some extra money, but had no awareness of the potential of the product to be very harmful and the product safety requirements required as the EU importer. The items were detained and will be safely disposed of or recycled.

During October 2017, Manchester Trading Standards received a referral from UK Border Force at Manchester Airport as they were concerned about the safety of 500 kites. The kites are Indian manja flying kites which have glass coated strings. Glass-coated strings are used to bring down competitors' kites, but they can cause injury and three people are known to have died as they have had their throats cut by the string. The Delhi government has now banned the use of sharpened manja to fly kites and promised to run campaigns to educate people about the dangers of using such strings. The importer has contacted Manchester Trading Standards and advised that he is a member of a kiting club. He has agreed to sign the goods over for destruction.

Representatives from the NTS Programme Office and senior BEIS officials visited Southampton port on 18 July 2017 to be faced with the unpacked contents of a 40' container which had previously been identified and examined by UK Border Force. Eleven samples were submitted for examination including a multi-coloured caterpillar type toy consisting of three joined soft plastic spheres which were intended to be inflated by means of the enclosed hypodermic syringe and hand pump. A sample was taken for examination

which subsequently also revealed the presence of a 'button battery' to provide internal illumination of the caterpillar. This battery was accessible as the caterpillar split under pressure, presenting an electro-chemical burn hazard should the battery be ingested.

In 2017, fidget spinners rapidly rose in demand and large volumes were imported through East Midlands Airport. Air freight is an ideal import route due to the small size and weight of the spinners and need for speed of delivery to keep pace with the probable short demand period. On examination a pattern of insufficient product labelling for safety was identified. Where possible Leicestershire Trading Standards worked with the business and other Trading Standards services to bring the items into compliance and prevent a financial loss to the importer. A consignment of 2800 fidget spinners of varying designs was found to be non-compliant with regards to labelling and to be a potential choking hazard. The business worked with the inland Trading Standards Service and Leicestershire to bring the items into compliance. An appropriate safety test report was obtained for the spinners, and they were then released to the importer. This demonstrates that the ports work can be beneficial to businesses to help growth, as subsequent to the incident the business has a better understanding of legal requirements and has not suffered high levels of profit loss which may be the case if items are detained, signed over and destroyed/recycled.

1000 LED fidget spinners were detained in May 2017 by Essex Border Sheriffs operating at Stansted Airport. The plastic toys were heading for a residential area of Belfast where the importer was unknown to his local market surveillance authority. The five cartons were targeted for the Sheriffs by the seconded Border Force Officer working with Trading Standards at East Midlands Airport as part of NTS operations. A visual assessment and screen test on-site at the airport led to the decision to detain the goods pending confirmation of risk by the analyst. The test report confirmed breaches in labelling, potential electro-chemical burn hazards and choking hazards. The unsafe spinners were manufactured in mainland China, and sold to the importer by an intermediary, having shipped them via a Hong Kong logistics company. The commercial invoice showed a unit price of \$0.40 for these craze toys.

In the spring, at an External Temporary Storage Facility for Southampton Port, Hampshire Trading Standards examined a consignment of 27,000 toys destined for a major on-line retailer. They were all non-complaint as there were no up to date test reports. The goods were released with agreement of West Yorkshire Trading Standards, where the business is based, in order that the goods could be tested and brought into compliance. The local Trading Standards Service was unaware of the trader and were grateful for the information. Compliance notices were served. There was excellent support from both the business and the local Trading Standards service to bring the goods into compliance.

Cosmetics

The Single Point of Contact referred a consignment to Kent Trading Standards. The result of the referral was that 25,296 items of various cosmetics were prohibited from being placed on the EU market for non-conformity with the EC regulation on cosmetic products. No documentation was provided to demonstrate that appropriate safety assessments had been carried out. The value of the goods was stated on the commercial invoice as US \$18,312.

In the summer, a consignment of skin creams from Sierra Leone labelled as having no hydroquinone were tested by Warwickshire Trading Standards and found to contain 260 mg per kg of hydroquinone. This is well beyond the safety limit of 0.1 mg. The intelligence was passed onto the relevant local authority to act on.

8.6 External Review

During this year, a further external review of the ports work has been commissioned by the NTS Board. Optimity were commissioned to undertake the review and look at the use of detriment measures, amongst other issues. This work was completed in 2017/18 but will be presented to the NTS Board, for agreement on any actions required, in June 2018.

8.7 Border Planning Groups

During the year, NTS has been asked for advice and information and attendance at various meetings relating to the impact of EU EXIT. This impacts the ports work more than other NTS work areas. This support and liaison will continue and once the position is clear as to what the future customs and legislative framework is to be, then NTS will work closely with BEIS in determining what changes need to be made to ports work. Individual local authorities who have ports and borders are also engaging at a local level due to the impact on the local authority as a whole, as well as Trading Standards specific matters.

National Trading Standards Safety at Ports Management Data

Quantities Taken out of Supply Chain	Number Apr-Jun 17	Monetary ¹⁰ Value Apr-Jun 17	Number Jul-Sep 17	Monetary Value Jul-Sep 17	Number Oct-Dec 17	Monetary Value Oct-Dec 17	Number Jan-Mar 18	Monetary Value Jan-Mar 18	Total Number	Total Monetary Value
Unsafe Items Taken out of Supply Chain ¹¹	94,653	£2,996,714	86,671	£2,744,004	178,391	£5,647,859	442,673	£14,015,027	802,388	£25,403,604
Non-compliant items ¹² Taken out of Supply Chain	198,654	£6,289,386	145,738	£4,614,065	633,752	£20,064,588	454,235	£14,381,080	1,432,379	£45,349,119
Total Unsafe and Non-compliant Items Taken out of Supply Chain	293,307	£9,286,100	232,409	£7,358,068	812,143	£25,712,447	896,908	£28,396,107	2,234,767	£70,752,723

Table 8 - Quantities Taken Out of Supply Chain via NTS Ports and Borders Work

Results of all referrals					
	Apr-Jun 17	Jul-Sep 17	Oct-Dec 17	Jan –Mar 18	Total 2017-18
Total No of Referrals	731	642	832	842	3047
Total Unsafe	150; (21%)	186; (29%)	176; (21%)	206; (24%)	718; (24%)
Total Non-Compliant	237; (32%)	221; (34%)	266; (32%)	261; (31%)	985; (32%)
Total Referred to Another Non TS Agency	7; (1%)	8; (1%)	5; (1%)	4; (0.5%)	24; (1%)
Total Pending	20; (3%)	23; (4%)	26; (3%)	51; (6%)	120; (4%)

Table 9 - Summary Table of Referrals Information

¹⁰ Monetary measure giving the overall value to society of preventing unsafe goods entering the supply chain based on the value per item of £30.80 plus Consumer Price Index. For 2017/18 this figure is £31.66 per item.

¹¹ Detained/forfeited/returned to point of origin/voluntarily surrendered/re-worked/destroyed

¹² Reworked/returned to point of origin/voluntarily surrendered/detained/forfeited/compliance notice issued

BREAKDOWN OF REFERRALS ¹³																				
SEA PORTS																				
Authority/ Border Point	Total UKBF Referrals	U	N/C	P	R	Total SPoC Referrals	U	N/C	P	R	Total Manifest Referrals	U	N/C	P	R	Total Other Referrals	U	N/C	P	R
Southampton /Southampto n	9	5	3	1		61	18	32	3		55	1	8			2	1		1	
Hampshire/ Southampton ETSF	3		1	1		113	17	29	12		148	1 7	43	14		5	1	2		
Kent/ Dover	24		20			23		14	1							2				
Thurrock/ Gateway, Tilbury, Purfleet ETSFs	8	4	4			231	64	123	4		89	1 5	45	2		6	2	3		
Suffolk/ Felixstowe	12	5	4			375	11 0	148	13	2	3	1				10	3		2	
AIRPORTS																				
Essex/ Stansted	48 (46 EMA, 2 local ad hoc UKBF referrals)	22	11	2	1	16	9													
Surrey/ Heathrow	1		1			52	8	9	6											
Slough/ Heathrow	6	1	2			16	1	1												
Hounslow/ Heathrow	1			1		33	14	12		1										
Hillingdon/ Heathrow	2	1				140	39	19	3											
Manchester/	11 (11	8	2			41	1	14	2											

¹³Seaports-1 referral equals 1 entry number on SPoC return; Airports-1 referral equals 1 Airway Bill number; Postal Hubs-1 referral equals 1 parcel. If more than one method is used to generate a referral, identify total number then divide total by 2 or 3 depending on number of methods and complete each column accordingly

Manchester	local ad hoc UKBF referrals)																			
Leicestershir e/ EMA	1191	246	338	58	7															
Solihull/ Birmingham	2 (1 local ad hoc UKBF referral)	1				14	3	9								2				1
POSTAL HUBS																				
Warwickshire /Coventry hub	218	100	70	3	12															
Slough/ Slough hub	74		18																	

Table 10 - Breakdown of Results of Referrals by Type and Location

Key: U= Total Unsafe; N/C = Total Non-Compliant; P= Total Pending; R=Total Referred to other Non Trading Standards Agency (e.g. MHRA)

Chapter 9 - National Trading Standards Scams Team

9.1 Overview

Mass Marketing Fraud (scams) often targets at vulnerable or disadvantaged consumers. It causes approximately £5-10 billion of detriment to UK consumers per year.

The Team is commissioned via TSSE. Buckinghamshire and Surrey Trading Standards host the Team. The NTS Scams Team Governance Group now oversees the work.

The Team approaches local Trading Standards Services and enters into service level agreements with them. Capacity allowing, these local authorities commit to engaging with the victims in their areas. Currently 176 out of 195 local authorities are signed up (90%). Of these 144 (81%) are England and Wales. Local authorities feed back to the Team at four-week intervals. This allows measurement of the individual consumer's detriment and savings because of the intervention.

The Team estimates that this year for every £1 of funding received, it saved consumers £82.57¹⁴. The Team has identified 2,708 victims and saved consumers £39,631,200 through its disruption work and the savings made through local authority support.

9.2 Call Blocker Project

The call blocker scheme, funded by £500,000 from the Department of Culture Media and Sport has been particularly successful this year. trueCall installed call blocking devices to tackle the issue of nuisance calls, focussing initially on protecting consumers with dementia. Reports show that 99% of unwanted calls being blocked after the unit has been installed. To-date 1,513 call blockers have been sent out and 63,438 scams and nuisance calls have been blocked.

Users were surveyed prior to the installation of the call blocking units:

- 98% of users received unwanted calls prior to installation.
- 17% of users received 11-15 unwanted calls a week

¹⁴ Calculated on £39,631,200 predicted and actual savings to consumers divided by the base grant budget of £480,000. £39,631,200/£480,000= £82.57.

- 36% received 6-10 unwanted calls a week.
- 31% of users had lost money to unwanted calls with an average of £6,184 lost per person (a total of £977,116 was lost to 208 users).
- 68% of users were worried about losing money to unwanted calls in the future.
- 79% of users were worried by unwanted calls.
- 60% of users felt threatened or scared by unwanted calls.
- 81% of users felt helpless to stop unwanted calls.

After the call blocking units had been installed 99% of unwanted calls were blocked by the units, between May 2017 and April 2018. Only 10% of users were receiving unwanted calls after the unit was installed and several of these users had not activated caller ID on their phone lines meaning the units could not work effectively.

Users were then surveyed as to how they felt about unwanted calls post installation:

- 1% of users had lost money to unwanted calls with an average of £73 lost per person (a total of £4,450 was lost to five users).
- 17% of users were worried about losing money to unwanted calls in the future.
- 12% of users were worried by unwanted calls.
- 10% of users felt threatened or scared by unwanted calls.
- 12% of users felt helpless to stop unwanted calls.
- 75% of users felt that since the call blocker had been installed they were no longer at risk of being scammed over the telephone.

9.3 Research

The Team has had discussions with Citizens Advice and Policy Network about scams related research to evaluate whether consumer alerts, about scams, work. Citizens Advice are creating a toolkit to consolidate advice into an easily digestible format to help people create their own successful scams awareness materials.

The Team supported the work of Bournemouth University and contributed to a new book launched at the CTSI conference: Safeguarding Adults: Scamming and Mental Capacity.

9.4 Friends Against Scams (FAS)

The Team has developed the FAS initiative throughout the year, including the 'One Million Friends campaign'. This was officially launched by the Rt Hon Ben Wallace MP Minister of

State for Security in January as part of Take Five week. The Team, in partnership with RBS, hosted a very successful and well attended launch event.

In January, the Team delivered Friends training at BEIS to raise the profile of mass marketing fraud. This session was attended by Margot James, then Minister of State for Small Business and Consumers. Over 50 attendees became new "*Friends*" and Margot James became a new SCAMBassador.

Throughout the year, the Team has met with many organisations that have the potential to promote the FAS initiative widely through their networks. This included Saga, Trustmark and the Rural Crime Network, and signed up the Chartered Institute of Environmental Health (CIEH) who pledged to support FAS by training their staff and encouraging their 8,000 members to also become friends

The FAS website is regularly updated to provide useful information and support and launched the Practitioner's e-learning on it recently.

- The number of Friends increased from 5000 to 38,580 this year. .
- Feedback from the Friends sessions continues to be excellent. Attendees feel they now have the knowledge to talk about scams (89%); can identify a scam (97%); and identify a scam victim (92%).
- We now have 867 SCAMchampions and 100 SCAMBassadors now total 100, including Ministers, MPS and Assembly Members, and a growing number of Police and Crime Commissioners.

A key focus is to increase the number of local authority Trading Standards that support the Friends campaign. The Team plans to develop examples of best practice and work with regional groups to increase support. An activity plan is being developed for Scams Awareness Month in June and the Team will use this opportunity to promote the One Million Friends campaign as widely as possible.

The Team plans to increase the number of high-profile SCAMBassadors, and is refreshing the SCAMBassador pack to include current case studies and examples.

In Wales, the Team is contacting members of the Wales Against Scams Partnership and working with Age Cymru to deliver a cross-party meeting. The Friends Against Scams website has been translated into Welsh and should launch in April, promoting Friends more widely across Wales.

To ensure inclusivity, an accessible Friends presentation has been developed in conjunction with accessibility experts. It will be available in two different formats on the Scams Team website.

9.5 Home Office Joint Task Force

The Team chairs and co-ordinates the Home Office Joint Fraud Task Force Victims and Susceptibility work stream. The aim is to improve practices amongst financial institutions, law enforcement and government, to better protect those most vulnerable to becoming victims of fraud. The Home Office has agreed to fund the Team's activity for 2017-18. However, due to a Home Office sponsored review of the role of the Joint Fraud Taskforce, discussions with regard to funding for 2018-19 will wait until the outcome of the review.

The current focus, which will continue through the review process, is to:

- Trial a multi-agency pilot in up-to three Pathfinder areas to improve investigation and support to victims of fraud.
- Work on banking interventions for online and telephone transactions. Linking with the Home Office Behavioural Insights Team provides a cohesive evidence based approach.
- Work with UK Finance and the City of London police to improve dissemination of intelligence between the banking sector and law enforcement.
- Oversee the adoption of the British Standards Institute Publicly Available Specification (PAS) 1772. This will provide better and more consistent support to victims of fraud by the financial sector.

The National Banking Protocol has now been rolled out to all 42 police forces and Police Scotland. The latest figures indicate £9.1m in prevented fraud with 101 associated arrests.

Other areas of focus this year include the Home Office Older People's Working Group. Recently the Team supported the Home Office regional events that focused on taking the views of stakeholders to inform a National Older People's Strategy. The Strategy will seek to improve local partnerships and front line operational delivery of services.

9.6 Publicity

This year the Team featured in 72 press or online articles and one radio interview. They gained 944 new Twitter followers (total 2,729).

9.7 Postal Operators

This year the Team took over hosting the Mail Providers meeting from Royal Mail. The group is a multi-agency problem solving forum that discusses potential actions and agrees how to tackle the problems of scam mail. An industry-wide voluntary Code of Practice and revised Data Sharing Agreement on dealing with scam mail are now in place. During the year the Team provided Royal Mail and other mail provider personnel with training to identify and assess suspected scam mail items. The Team also offered to help all mail providers to put proper due diligence processes in place so that criminals are less likely to move from one provider to another.

Most recently, training was delivered to 25 members of the Royal Mail Commercial Team responsible for Managing Customers and operating Royal Mail's scam mail processes. A standard information form has been devised to assess each piece of mail alongside guidance and support to assist in identifying scam mail.

Since the February meeting the last of the original eight members signed up to the Data Sharing Agreement. An alert system has been set up to ensure intelligence is being shared across the industry. Two positive actions from one mail provider alone led to stopping 10,000 scam mail items, thus demonstrating the value of the alerts.

Between November 2016 and March 2018 the Team and Royal Mail stopped approximately 3.1 million pieces of scam mail from entering the postal system. This equates to almost £14 million saved for consumers (based on 18% of total mailings at £25 per item). The other Postal Operators have also had a significant impact on stopping mail entering the mailing system. Several of them liaise regularly with the Team.

Royal Mail has stopped delivering mail to 1,046 people identified as receiving scam mail. These people have been offered additional support from Trading Standards. Others have been identified and the Team should receive additional victim data in the next quarter.

Royal Mail and the Team continue to review and update the Royal Mail's Work Time Listening and Learning material (training for postal workers). This quarter one training session took place and 40 postal workers were trained and four potential victims were identified from training sessions. In total this year:

- 16 training sessions have taken place
- 677 postal workers were trained
- 165 potential victims were identified from training sessions

The Team will attend the next Strategic Mailing Partnership board meeting in May. This industry group represents 170 of the UK's largest mail producers.

9.8 Work with Old People's Commissioner for Wales

During the year, the Team worked in partnership with the Welsh Older People's Commission to support the existing Wales Against Scams Partnership and ensure that scams and protection of consumers in vulnerable situations receive the necessary attention and resources. The Older People's Commissioner for Wales pays a contribution towards the dedicated member of staff the Team provided to develop its strategy.

The Commissioner has agreed to fund the project for another six months (April–September 2018). The current Commissioner's term finishes in June and the Team will liaise with the new one to confirm future priorities.

Over 2,000 Friends have been recruited in Wales and the One Million Friends Campaign will be launched in spring 2018. They will engage with the public and private sectors, providing guidance on what they can do to become involved and support the campaign.

9.9 Compass

Compass is used to consolidate all victim data. Its primary function is data management and making existing processes and procedures easier, such as, recording and tracking any monies disseminated to local authorities. Since launching in July 2017, 118 local authorities are using Compass. There are a further 58 LAs to go live onto Compass, including Scottish authorities.

9.10 Mail Marshals

A mail marshal is a volunteer victim who sends the scam mail they receive to the Team thus removing the temptation to respond to the mail. This helps the mail marshal to recognise the signs of scam mail. It empowers them as they are contributing evidence to the Team's investigations into scam mail and its perpetrators. Many mail marshals find this dramatically reduces the amount of scam mail they receive and, in some cases, it stops altogether. 8,822 letters sent in by mail marshals in 17/18. The Team is exploring expanding the scheme with support of the Home Office.

9.11 Investigations work

The Team helps local authorities with local investigations and the following are examples of mailings stopped because of the Scams Team's involvement. There are many during the course of the year but these are a few examples

- A mail provider received support and advice from the Team and as a result 2,391 mail items were stopped. This related to misleading postcards. Savings = £10,760
- 100,000 items of mail were identified as misleading and as scam mail by a mail provider who approached the Team for additional support and advice. This contract was for a year. Had it been fulfilled 1.2 million scam mailings would have been sent into the UK. Savings = £450,000 (notionally)¹⁵.
- As a direct result of the Team issuing two Scam Mail Alerts in January and February 2018, an international mail provider sent a desist letter in respect of mailings in those names to the mail account holder. Savings = £36,000
- Based on intelligence from mail marshals the Team contacted a mail provider regarding scam mailings sent via their company. Some 9,859 items got through; many were received and identified by mail marshals. The mail provider stopped a further 9,640 in their depot and put a stop to 36,000 more that were contracted to go out. The mail provider will not handle future mailings. Savings = £205,380
- Based on intelligence from mail marshals the Team identified a number of Sweepstake mailings received in February via various mail providers containing envelopes with response addresses in Portugal. Contact was made with Portuguese National Police and the two PO Boxes have been closed down. Details of the quantities and owners is awaited.
- Based on intelligence from mail marshals, the Team identified mailings with a return address in Madrid. The Team worked with Guardia Civil who carried out a warrant on the address and arrested nine people and seized numerous computers which are believed to contain details of victims. The US Department of Justice are willing to take the computers on the team's behalf and look for potential suckers lists.
- A joint operation with Canadian and US enforcement authorities into Canadian and US producers of fraudulent mail targeted at the UK has resulted in 200 arrests, 250 mail boxes being closed and \$108m restrained or seized. Preliminary figures indicate

¹⁵ Not included in Team figures as mail identified by the provider.

that this prevented 4.9 million pieces of mail reaching the UK, representing £22m in detriment. Approximately 20,000 cheques were seized by the Vancouver Police Department. Arrangements to return them to the UK are in hand. Further work continues to support both the Federal Trade Commission and the Vancouver Police. Numerous arrested suspects involved will, it is anticipated, receive custodial sentences. Savings = £22m

- A mail provider met with an account holder who has been sending non-compliant mail for some time. The account has been closed and it has been made clear to the sender that failure to comply with consumer protection and fraud laws will result in closure of accounts and likely closure of the business because no-one else will handle the mail.

In total 5,056,031 mailings were stopped and the total savings were £22,752,139

International Mass Marketing Fraud Working Group

The International Mass Marketing Fraud Working Group's annual conference was hosted by the Guardia Civil in Madrid, Spain in March 2018 and was attended by representatives from the Team. This is a very proactive group and during the year the Team has made major contributions to law enforcement investigations in Canada, USA, Ireland and The Netherlands. This meeting was an opportunity to discuss and update the various investigations.

This year saw a renewed presence from key players in Europe, in particular Germany, Portugal, Belgium, Ireland and obviously Spain. It became very evident from the discussions and presentations that there is a widespread commonality between the various investigations. It demonstrated the global nature of mass marketing mail frauds, in particular, clairvoyant and lottery fraud.

A presentation from the German police assisted in the identification of a major clairvoyant fraud being operated in Germany with connections to Hong Kong that has been targeting the UK. The Team have been trying to establish the key players and this work by the Germans has moved the case forward.

Lottery Fraud

The Team have for over two years been trying to disrupt and take action against various 'Lottery' operators and in particular those based in Australia. This has had varying degrees of success. A small working group from the International Mass Marketing Fraud Working Group has been set up to tackle this problem as it is also impacting Canada and the USA.

Support has been obtained via the Royal Canadian Mounted Police and from the Australian Criminal Intelligence Commission.

Clairvoyant Fraud

Clairvoyant scam mailing continues to be a major issue. Identification of these organisations has been difficult because it is mainly a cash business which makes tracing funds and associated bank accounts much more difficult. As mentioned above, the detailed work being carried out by the German police will assist the on-going work of the team.

The Team continue to work in partnership with the Insolvency Service and the Information Commissioner's Office (ICO) to share intelligence on UK and EU based mail providers and data brokers.

Operation Boemerang

The Team shared intelligence with the Fiscal Information and Investigation Service in the Netherlands regarding suspects arrested last year during Operation Boemerang. Detailed translated suspect interviews with useful information have been received. Other relevant data is being acquired.

Award

The Team received international accolade through its partnership with US and Canadian authorities. The Team was thanked by US Attorney General Jeff Sessions; the Director of the Federal Trade Commission; and the Vancouver Police Department for the contribution to the arrests and the assistance of the Mail Marshal project which identified perpetrators of the scam mailings.

9.12 Care Act

The Care Act 2014 puts adult safeguarding on a legal footing and Local Authorities have a legal duty to follow up any concerns about actual or suspected adult abuse or there is a risk of a Safeguarding Adults Review. This year the Team also worked in partnership with the Association of Directors of Adult Social Services to engage at a national level to improve local partnerships and operational delivery. ADASS together with the Local Government Association, Adult Principal Social Worker Network and NTS, published guidance on financial abuse and scams, for Directors and people working in social care.

National Trading Standards Scams Team Management Data

Aims	Outcomes	Performance Indicators	April – June 2017	July – Sept 2017	Oct – Dec 2017	Jan – March 2018	Totals for 2017-18
INVESTIGATE criminal activity	Disrupt Mass Marketing Fraud	Disruptive/enforcement actions supported	5	10	7	7	29
		Postal Operators signed up to the Code of Practice & MOU	5	1	0	0	6
		Pieces of mail stopped from reaching UK customers	900,000	1,317,766	810,000	5,056,031	8,083,797
IDENTIFY victims of scams	Identify the silent victim of scams & facilitate an intervention for them	LA TSS/Organisations signed up with Service Level Agreements (LAs)	1	0	0	1	2
INTERVENE & protect victims from further victimisation		Scams victims identified	803	639	342	924	2,708
		Amount of consumer intelligence received (victims lists, single victims)	0	1,081	5,536	217	6,834
		Consumer detriment – specifically:					
		Estimated consumer detriment	£1,964,380.60	£2,273,908.00	£2,248,880.00	£6,427,375	£12,914,543.60
		Estimated consumer savings from interventions	£201,260.00	£401,306.00	£581,875.00	£625,800	1,810,241
		Actual savings to consumers	£60,000.00	£1,408.00	£11,182.00	£4,532	£77,122

Aims	Outcomes	Performance Indicators	April – June 2017	July – Sept 2017	Oct – Dec 2017	Jan – March 2018	Totals for 2017-18
		Other results of interventions including estimated consumer savings from disruption/enforcement ¹⁶	£5,416,750.00	£5,929,947.00	£3,645,000.00	£22,752,140	£37,743,837
		Total savings	£5,678,010.00	£6,332,661.00	£4,238,057.00	£23,382,472.00	£39,631,200.00
	Through effective partnership raise awareness & influence	Recruits to the <i>Friends Against Scams</i> initiative	19,126	3,514	3,740	7,041	33,421
		Organisations supporting the <i>Friends Against Scams</i> initiative	0	16	7	3	26
		Scams Champions facilitating training to others	187	134	77	75	473
		Scambassadors in influential positions providing vehicles for change	0	11	30	10	51
		Press releases & media opportunities	30	13	13	13	69

Table 11 – NTS Scams Team Management Data

¹⁶ This saving is calculated on mail that has not been able to enter the UK postal system and be delivered to victims and contracts that have been cancelled with suppliers

Chapter 10 - National Trading Standards Illegal Moneylending Teams

10.1 Background

For 2017/18 the Financial Conduct Authority (FCA) introduced a new levy on consumer credit firms. These funds were used to wholly fund the enforcement of illegal money lending throughout the UK undertaken in England and Wales via NTS who commissioned Birmingham City Council to provide the England Team and the shared service of Cardiff, Bridgend and the Vale of Glamorgan to provide the Wales Team. HM Treasury asked NTS to retain the oversight and governance role for this work until 31/3/18. The work of the Teams was overseen by an Illegal Money Lending Governance Group which included representatives from the FCA and HM Treasury.

The management and governance of the Illegal Money Lending Teams was formally transferred on 28 February 2018 in preparation for the work being fully governed by the FCA and HM Treasury from 1 April 2018 onwards.

10.2 Victim Work

The England Team continued to support victims and witnesses, in terms of their safety, emotional wellbeing and financial inclusion. Examples included a case where the victim was unable to afford medication due to the loan shark and was supported to go to the doctor and re-engage with debt advice agencies to reduce anxiety and stress. In another case, significant moral support was required by the couple who reported the loan shark. The support included an arrangement made with Victim Support to provide extra security at the property via Sanctuary Housing, the landlords of the property, as well as ensuring that the local Citizens Advice Bureau were able to access charitable applications. They had been paying £200 a month to the illegal lender and had moved to try and get away from him; after the loan shark was cautioned by the England Team he stopped contacting the victims and they have been on their first holiday in years and are sorting out their legitimate debt. They report significantly better mental health.

A further example included a case where intensive support was provided for two victims. Both victims called the hotline independently not knowing the other had called and their stories were the same. They were able to produce documentary evidence of the criminality

and vital information about the modus operandi of the subjects. Both had been suffering in silence with one hiding the issue from her husband, and had been put under tremendous strain trying to make payments when possible and avoid the subjects. The other victim had been struggling with legal debts and also the fallout from a messy divorce so she was referred to a local Citizens Advice Bureau for help with both issues. LIAISE provided regular calls and texts from both for emotional and practical support – both were very thankful.

Year on year around 10% of victims state they have borrowed from an illegal money lender because of funeral costs. As a result the Team have been targeting funeral associations, and have presented to a number of Funeral Directors to raise their awareness of this issue.

In Wales, the Client Liaison Officers continued to support the victims, offering reassurance during the charging process of a woman allegedly lending money to colleagues working in a care home. Another very substantial case with 103 victims identified meant the Client Liaison Officers worked closely with 10 families. There was a high degree of fear among them, and they needed advice in relation to debt, accommodation and other matters. There was close liaison with support workers, Citizens Advice Bureau and social services.

In a further case, although the loan shark pleaded guilty, there remained the possibility of a Newton trial, involving victim evidence, in relation to some charges. Final guilty pleas were then agreed, and the victims were kept informed throughout. There was a high level of media interest in the sentencing, and arrangements were made for two of the victims to be interviewed by the BBC. A case in Denbighshire disclosed over 100 victims. The Client Liaison Officers engaged in visits to approximately 45 victims, and worked intensively with five families, requiring repeated journeys to North Wales. Many victims expressed anxiety about borrowing money for Christmas, and information packs on Credit Union and 'Fair For You' were sent to all victims whose addresses can be verified.

10.3 Awareness Raising Work

The England Team continued to train frontline staff, targeting agencies who work with prisoners and those with gambling issues in particular. The Team worked with the National Casino Forum after a number of cases involving illegal money lending within casinos. The Team presented to senior casino personnel in October with a view to delivering training to staff, and having "combatting illegal money lending" built in to audits and industry standards.

A campaign was run on National Prison Radio, with 20 soundbites about illegal money lending being broadcast 10 times each over a month long period. The organisation also met

with a victim who had been in prison and saw release from prison as being a trigger to using an illegal money lender. Audio was recorded for a video that will go on “Straightline” – an app made for prisoners to use on their release. The England Team presented at a conference of Catch 22, the National Leaving Care Benchmarking Forum. The event was attended by 40 Leaving Care Managers from across the North of England. As a result over 20 local authorities have signed up for training for Leaving Care staff.

The Team are working on over 100 credit union incentives across the country. One example is in West Carnforth in County Durham which has seen 169 accounts opened, including 58 Junior Savings Accounts.

A credit union incentive scheme was launched with the NHS Credit Union in Macclesfield Hospital, following Operation Snorkelling. This is targeting Filipino nurses and has involved significant work within the hospital.

A presentation was delivered to Branch Managers of Lloyds TSB who manage banks across Greater Manchester. Information about illegal money lending is to be given to customers who cannot be helped by the bank and also referrals will be made to the local credit unions. Branch managers are now equipped to ask further questions to their customers if they are suspicious of illegal money lending activity on accounts. Information will be cascaded to branch staff members.

Work is ongoing on an illegal money lending training room simulation for staff in West Midlands Police. This will involve mocking up the house of a loan shark to demonstrate the evidence the Team would look for.

A partnership with Street Games is aiming to engage young people in credit union incentives. Street Games is a national charity that uses sport to work with disengaged young people across England.

Significant amounts have been allocated from Proceeds of Crime money to community projects in England. A full list was published over the summer with projects being allocated funds in every region.

In Wales, the principal activities by sector for the year were as follows:

- The Client Liaison Officers did a lot of follow-up work with the ten organisations who were awarded Proceeds of Crime sums.
- The Team undertook a major 4 week bilingual media campaign on buses and radio, which produced good feedback

- Training sessions were run for Monmouthshire, Caerphilly & Blaenau Gwent, Powys and Gwynedd Citizens Advice Bureaux. The Team gave a presentations at Age Connects and Shelter.
- There was a good opportunity to engage with prisoners at an event at Cardiff Prison. The National Association for the Care and Rehabilitation of Offenders invited the Team to undertake training for workers in Carmarthen and Rhyl
- CAIS, a registered charity and leading voluntary sector provider of personal support services in Wales, invited the Team to train support workers in Anglesey and Conwy
- Police training has continued with Dyfed Powys and Gwent Police.
- The Team continued to attend the Welsh Government's Financial Inclusion Steering Group, which ensures that the issue of illegal lending is embedded in the Welsh Government's poverty strategy.
- The Team attended fun days organised by various housing associations and worked with registered social landlords.
- The long term programme of training for all Caerphilly Council staff continued. It was particularly helpful that some councillors, fire service staff and community police officers attended.
- The Team participated in launch and community events with various credit unions.

This year marks the 10th anniversary of the launch of the Teams and there has been a pleasing level of media interest in its work including prime time live interviews on ITV Wales and BBC Radio Wales. In addition, the Team has been approached by BBC Wales with a view to producing a radio documentary.

10.4 England Cases

Norman Hardy

A loan shark from Cinderford, who ran a sophisticated illegal money lending business under the name 'Club Finance' over a period of three years, was sentenced to 18 months in prison, suspended for two years on 7th April. He was also given one year to pay a £10,000 fine and £2,000 in prosecution costs, or face nine months in prison. In addition to his sentence, His Honour Judge Tabor QC also ordered the defendant to pay all available liquid assets to the court under the Proceeds of Crime Act 2002.

Harun Chhatra, Shravan Dhakan, Subash Luhar

Three loan sharks, who had pleaded guilty to charges at an earlier hearing, were sentenced on 3rd May for their participation in an illegal money lending business, which operated

across Leicester for a period of seven years. Harun Chhatra, aged 52, was sentenced to nine months for his leading role in the illegal enterprise. Shravan Dhakan, aged 52, was sentenced to nine months, suspended for two years and was also ordered to carry out 150 hours unpaid work. Mr Dhakan was also given three months to pay back £8,600 by way of confiscation. Subash Luhar aged 65, also of Buller Road was sentenced to seven months, suspended for 18 months and was also ordered to carry out 120 hours unpaid work. In addition to his sentence, Mr Luhar was given three months to pay back £8,850 to the courts by way of confiscation. On sentencing His Honour Judge Mooncey said: "A significant factor in this case was that people were given money and were then introduced to a person who had previously used violence upon people who didn't pay. These sorts of threats were designed to frighten people to pay back the money they had borrowed and the exorbitant interest being charged on top. Loans were obtained by people who were desperate and were prepared to agree to terms that were detrimental to their own interests."

Sijo Mannamcheril Sebastian

Mr Sebastien, aged 39 from Basildon, who received over a quarter of a million pounds in loan repayments, was sentenced to four months in prison at Southend Crown Court on 12th May, after pleading guilty to two counts of illegal money lending between 1st July 2009 and 19th April 2016 at an earlier hearing.

Edna Lavente Deriada

A loan shark who lent money illegally to members of the Filipino community for more than thirteen years was sentenced to 18 months, suspended for two years and also ordered to carry out 120 hours of unpaid work at Southwark Crown Court on 23rd May. Ms Deriada, aged 63, had been lending money without a licence between 26th March 2002 and 25th November 2015 providing more than 100 loans to over 50 separate individuals.

David Jackson

A loan shark who preyed on elderly victims and those addicted to gambling was ordered to pay back £85,000 in proceeds of crime in May. Following a hearing at Preston Crown Court on 25th May, David Jackson, aged 59, was given three months to pay the lump sum of money or face an extra 12 months in prison. Mr Jackson had previously been sentenced to a two year custodial sentence in March 2016 after pleading guilty to counts of illegal money lending and money laundering.

Carol Fawcett

Carol Fawcett, aged 54, from Welwyn Garden City, was ordered to pay back over £77,000 in proceeds of crime during a hearing at St Albans Crown Court on 20th June. The defendant, who was sentenced in January for illegal money lending and money laundering, was given three months to pay the lump sum of money or face a default sentence of nine months in prison. During a sentencing hearing in January, prosecutor Ben Mills told the court how between March 2006 and February 2014, Ms Fawcett was running an illegal money lending business, issuing cash loans to members of the Filipino community. The loan shark's illegal enterprise consisted of loans being made to over 100 separate borrowers; the loans ranged from £50 to £3,500.

John McCullagh, Karen Roberts

A Chorley loan shark who ran an illegal money lending business over a period of approximately eight years and received over £1 million in loan repayments was jailed for 15 months at Preston Crown Court. John McCullagh, aged 53, pleaded guilty to illegal money lending between July 2008 and August 2016 at a plea and pre-trial hearing on 12 January. Karen Roberts, aged 58, received a nine month suspended prison sentence and 160 hours unpaid work after she was found guilty of laundering cash from her partner's loan shark business during a four day trial in June. The prosecution told the court that McCullagh's customers were often in a vulnerable financial position; the defendant was charging borrowers £50 interest for every £100 borrowed. Mr Barker went on to say that McCullagh shouted at one victim because she could not afford to repay him because she had to purchase flowers for her aunt's funeral. Records recovered from the defendants' home address indicated that McCullagh had loaned over £870,000 and received more than £1.1 million in loan repayments. At the time of his arrest, the defendant had in excess of £230,000 outstanding on loans for which interest was payable.

Paul Stretch

Paul Stretch who operated an illegal money lending business over a period of nine years and preyed on vulnerable people in Torquay and Newton Abbot, was sentenced to 27 months' imprisonment at Exeter Crown Court. When officers executed a warrant at Stretch's home address on 26th January 2016, documentation containing borrowers' details, electronic devices and £3,070 in cash was seized. A financial investigation revealed, over the period in question, there had been over £300,000 cash deposits into accounts held by Stretch or his close family. The loan records seized were analysed and it became clear that Stretch was targeting people he was familiar with through his employment with local, legitimate, loan companies.

Clever Nyikazino Gwidza

A Devon loan shark who set up an illegal money lending operation among the Zimbabwean community was sentenced on Thursday 30 November 2017. Clever Nyikazino Gwidza, aged 39, of North Cleave Farm in Hatherleigh, pleaded guilty to illegal money lending between May 2016 and April 2017. Loan shark Gwidza was given four months in prison, suspended for 12 months and was ordered to carry out 150 hours unpaid work. On behalf of the prosecution, Simon Mortimer told the court how officers found a spreadsheet on Gwidza's computer labelled '30 Days Loans' which showed over £70,000 being loaned out to 22 individuals. The prosecution added that the defendant had received repayments totalling around £60,000 and was charging victims 24% interest on loans.

Jean-Roger Mambonzo

A loan shark from Bournville who operated an illegal money lending business among the Congolese and Angolan communities, was sentenced at Birmingham Crown Court on 22 December 2017. Jean-Roger Mambonzo, 57, of Overbury Road in Bournville, received a 10 month suspended prison sentence and was ordered to undertake 240 hours unpaid work after pleading guilty to two offences of illegal money lending at an earlier hearing on 9 November 2017.

10.5 Wales Cases

Lorna Llewellyn

Sentencing took place at Cardiff Crown Court on 29th August 2017. The defendant had previously pleaded guilty to two offences of illegal money lending. The period of lending covered 2013 to 2017 and involved lending money to her colleagues at the Ty Penrhos Nursing Home in Caerphilly. When lending money she would impose a fixed charge of £17.50 for every £50 borrowed, £30 for every £100 borrowed, a late payment fee of either £12.50 or £15.00 and if no payment was made there would be a charge of £25.00. When interviewed she had told officers that she had done it out of friendship. Lorna Llewellyn was sentenced to four months' imprisonment for each charge, to run concurrently, suspended for two years. She was also ordered to undertake 200 hours of unpaid work. A Confiscation Order in the sum of £12,302 was made which she has to pay by the 1st December 2017 with a six month default term. She was also ordered to pay costs of £4,338 within six months and a victim surcharge of £80 within two months.

Robert Sparey

The sentencing of this case took place at Cardiff Crown Court on Friday 1st December 2017 before Recorder Eleri Rees. The defendant had pleaded guilty to two counts of illegal money lending, one count of money laundering, one count of possessing with a view to selling counterfeit goods and one count of perverting the course of justice. In sentencing the Recorder stated that during the 20 years of offending there had been approximately 160 victims and £250,000 of loans offered. The defendant had been claiming benefits whilst making a vast income from money lending. He had previous convictions for dishonesty and violence including the harassment of one of the debtors in the case. Furthermore, after he was bailed he continued to collect money and attempted to get witnesses to change their evidence or give false evidence.

He was sentenced to 12 months imprisonment on count one for illegal money lending; 14 months consecutively on count three for illegal money lending; three years and six months concurrently on count four for money laundering; four months concurrently for count five for Trade Marks offences and 16 months consecutively on count six for perverting the course of justice. This gave an overall custodial sentence of 3 years and 6 months. In relation to Proceeds of Crime, the benefit amount was agreed as £312,204 and the available amount as £38,492 with a Confiscation Order made in the sum of £38,492. Sparey was given 3 months to pay with a default period of imprisonment of 14 days. Compensation orders were made for fifteen of Sparey's victims, amounting to £12,310 in total.

National Trading Standards Illegal Money Lending Management Data

	England Apr-Jun 17	England Jul-Sep 17	England Oct-Dec 17	England Jan-Mar 18	England Total	Wales Apr- Jun17	Wales Jul-Sep 17	Wales Oct-Dec 17	Wales Jan-Mar 18	Wales Total	Total
Intelligence											
No. of pieces of intelligence received:	150	160	143	146	599	17	15	8	15	55	654
Hotline	63	60	39	45	207	8	9	5	4	21	228
Email	21	26	20	10	77	0	0	0	3	3	80
Website	3	2	2	5	12	0	0	0	0	0	12
Text Message	0	0	0	0	0	0	0	0	0	0	0
Police	38	43	51	46	178	2	2	0	2	6	184
Trading Standards	7	4	4	8	23	0	0	0	1	1	24
Other Council Services	2	1	17	8	28	3	3	1	3	10	38
Crimestoppers	1	0	0	0	1	0	0	0	0	0	1
CAB	5	2	3	6	16	0	0	1	1	2	18
Credit Union/FCA	0	5	4	2	11	0	0	0	1	1	12
Liaise/SIPO Work	0	1	1	4	6	4	1	1	0	6	12
Other	5	16	2	12	35	0	0	0	0	0	35
No. of Operations Commenced	79	72	72	79	302	5	2	3	2	12	314
No. of suspected illegal money lenders identified	135	197	205	163	700	7	2	3	3	15	715
Arrests:											
A. For Illegal money lending	19	13	16	17	65	0	0	1	0	1	66
B. For other offences relating to illegal money lending	19	13	17	17	66	0	0	1	0	1	67
C. In total	19	13	17	17	66	0	0	1	0	1	67
Prosecutions:											
A. No. of cases where proceedings have been instituted/charges brought	4	3	1	2	10	1	1	0	1	3	13
B. No. of individuals who have been charged or had proceedings instituted against them for illegal money lending	4	3	1	5	13	1	1	0	1	3	16

	England Apr-Jun 17	England Jul-Sep 17	England Oct-Dec 17	England Jan-Mar 18	England Total	Wales Apr- Jun17	Wales Jul-Sep 17	Wales Oct-Dec 17	Wales Jan-Mar 18	Wales Total	Total
C. No. of individuals who have been charged or had proceedings instituted against them for other offences	0	0	1	0	1	1	1	0	1	3	4
D. Total no. of individuals who have been charged or had proceedings instituted against them	4	3	1	5	13	1	1	0	1	3	16
Other Enforcement Actions:											
A. No. of cases where other enforcement actions have been taken	14	7	3	3	27	0	0	1	0	1	28
B. No. of individuals who have had other enforcement actions taken against them for illegal money lending	19	9	3	3	34	0	0	1	0	1	35
C. No. of individuals who have had other enforcement actions taken against them for offences other than illegal money lending	1	0	0	0	1	0	0	1	0	1	2
Custodial Sentences:											
A. No. of cases where custodial sentences have been handed out	7	2	2	1	12	0	1	1	0	2	14
B. No. of individuals who have received custodial sentences	8	2	2	1	13	0	1	1	0	2	15
Non-Custodial Sentences:											
A. No. of cases where non-custodial sentences have been handed out	0	4	0	0	4	0	0	0	0	0	4
B. No. of individuals who have received non-custodial sentences	0	4	0	0	4	0	0	0	0	0	4
Total value of loans made by illegal money lenders	£790,050	£40,000	£910,627	£895,607	£2,636,284	£176,000	£300,000	£415,000	£390,000	£1,281,000	£3,917,284

	England Apr-Jun 17	England Jul-Sep 17	England Oct-Dec 17	England Jan-Mar 18	England Total	Wales Apr- Jun17	Wales Jul-Sep 17	Wales Oct-Dec 17	Wales Jan-Mar 18	Wales Total	Total
A. Total value of benefit fraud identified and reported/prosecuted	0	0	0	0	0	0	0	0	0	0	0
B. Total value of other criminal activity identified and reported/prosecuted	0	0	0	0	0	0	0	0	0	0	0
C. Total value of all criminal activity identified and reported/prosecuted	0	0	0	£100,000	£100,000	0	0	0	0	0	£100,000
Assets/Proceeds of Crime Act											
A. Amount of cash seized	£53,759	£26,750	£47,985	£20,866	£149,360	0	£21,000	£12,000	0	£33,000	£182,360
B. Estimate of assets restrained under POCA	£79,000	0	0	£400,000	£479,000	0	£27,000	0	£40,000	£67,000	£546,000
C. Total criminal benefit of IML (assessed by prosecutor)	£1,303,332	£2,510,167	£1,367,627	£450,000	£5,631,126	0	0	0	£312,204	£312,204	£5,943,330
D. Amount awarded by Confiscation/Forfeiture Order	£427,321	£766,341	£20,000	£513,151	£1,726,813	0	£12,300	£42,000	£38,492	£92,792	£1,819,605
E. Compensation awarded to victims	0	0	0	£9,532	£9,532	0	0	0	£12,310	£12,310	£21,842
F. Total criminal benefit of IML (agreed by the court)	£880,222	£520,000	£400,000	£895,607	£2,695,829	0	£17,000	£42,000	£312,204	£371,204	£3,067,033
G. Total amount of money laundered by loansharks	£1,742,923	£1,630,167	£667,627	£445,607	£4,486,324	0	0	0	0	0	£4,486,324
H. Total amount of money laundered by offenders other than loan sharks	0	0	0	0	0	0	0	0	0	0	0
Victims											
Total no. of victims identified	705	178	453	70	1406	60	60	45	15	180	1586
Direct/actual savings to victims at point of intervention (illegal debt to loan shark only)	£1,055,073	£457,360	£395,027	£50,000	£1,957,460	0	0	0	0	0	£1,957,460
No. of victims with illegal debts written off at the point of intervention	386	170	206	45	807	0	0	0	0	0	807
No. victims provided with direct and indirect support,	261	226	157	185	829	43	43	31	31	148	977
Total value of victim debts, assessed through intensive casework support	£268,469	£238,469	£172,650	£207,615	£887,203	£110,000	£110,000	£265,000	0	£485,000	£1,372,203

Table 12– Illegal Money Lending Management Data

Chapter 11 - National Trading Standards Estate Agency Team

11.1 Background

The NTS Estate Agency Team is hosted by Powys County Council with support from Isle of Anglesey Council. The Team took over the functions of the Office of Fair Trading in relation to the Estate Agents Act 1979 from the 1 April 2014. As the lead enforcement authority for the Act, its responsibilities include the issuing of prohibition and warning orders, and the management and approval of the UK's consumer redress schemes. The Team is also responsible for providing sector-specific advice in relation to the obligations and responsibility of businesses under the Act, as well as maintaining a public register of prohibition and warning orders issued.

The Team works to ensure that those individuals or businesses that are considered unfit to engage in estate agency work are prevented from doing so in the future, and ensures that consumers have recourse to an effective redress scheme if things go wrong in their dealings with an estate agent. Working with colleagues and other stakeholders is a key part of the Team's overall strategy to ensure that estate agency work in the UK is carried out in the best interests of clients and businesses, and buyers and sellers are treated honestly and promptly in a fair marketplace.

As from summer 2017, the Ministry of Housing, Communities and Local Government took over policy responsibility for Estate Agency and as from April 2018/19, will be providing the grant to fund the Team. Work is taking place to ensure a smooth transition to the new governance and finance arrangements. Governance is provided via a newly set up NTS Estate Agency Governance Group which will include Ministry of Housing, Communities and Local Government officials.

11.2 Casework, complaints and enquiries

Cases under investigation by the Team are varied and wide-ranging, and include offences of insider trading, kidnapping, fraud, theft, violence, and breaches of the Estate Agents Act such as failing to declare a personal interest in property. Complaints and referrals are received from members of the public, industry, Trading Standards colleagues and other enforcement agencies, concerning the activities of individuals and businesses across the UK. The Team also initiates cases following monitoring of news websites, social media etc.

Overall in 2017/18 the Team received 459 complaints, this was up from 246 complaints in 2016/17. They issued 16 prohibition orders in 2017-18, up from 12 in 2016-17.

At the end of the year, the Team had 53 cases under investigation.

One application to revoke an historical prohibition order, originally issued in 2014, was granted.

The Team undertook their first prosecution for a breach of anti-money laundering supervision requirements under new arrangements with Her Majesty's Revenue and Customs. Two directors of a Somerset based company pleaded guilty at Taunton Magistrates Court to carrying on an estate agency business while not being registered for anti-money laundering supervision with Her Majesty's Revenue and Customs. The matter was listed for a Proceeds of Crime hearing at Taunton Crown Court where it was re-listed for 22 June 2018 either for directions on the Proceeds of Crime Act applicability or the sentencing exercise.

An appeal against the imposition of a prohibition order against a company director and his business was heard at the First Tier Tribunal in March. The Tribunal allowed both appeals and quashed the prohibition orders. The Team has lodged an appeal against the decision of the Tribunal and also subsequently served summonses against the individual and company for alleged offences under anti-money laundering regulations.

Towards the end of the year 2016-17 the Team received the first ever two applications to have a prohibition order revoked. These were dealt with in the first quarter of 2017-18 and both were agreed to after a detailed case review for each application.

This year the Team also:

- Reviewed the notice of proposal and adjudication process to take into account any lessons learned and to ensure that it remains fit for purpose.
- Defended an application for costs in respect of two appeal cases which were heard in the First Tier Tribunal in December 2016
- Continued to work on an enforcement project in conjunction with Her Majesty's Revenue and Customs to tackle businesses not signed up for redress and/or anti-money laundering supervision.

11.3 Stakeholder engagement and other activities

In February 2018 Ombudsman Services: Property announced that it would be withdrawing from the property redress sector on the 6 August 2018. Discussions are underway with Ministry of Housing Communities and Local Government officials and the Chartered Trading Standards Institute as to how the withdrawal of Ombudsman Services: Property from the sector is to be managed, in particular the arrangements for current members and the implications for current complaints in the system and those complaints made after 6 August against previous member agents.

Throughout the year the Team has had regular, on-going engagement with the following organisations:

- Rent Smart Wales – to deal with any individuals/businesses which may be of mutual interest in relation to the property sector in Wales.
- Committee for Advertising Practice / Advertising Standards Authority – to produce guidance for the estate agency industry and develop effective data sharing agreements
- Lettings Industry Council – to discuss issues of shared concern and common areas of interest across the sales and lettings sectors
- Her Majesty's Revenue and Customs – to monitor trends and developments in the estate agency industry, and to share information under a pre-existing Memorandum of Understanding to ensure that businesses are registered for redress and/or anti-money laundering supervision as appropriate
- Trade/industry membership bodies – to help educate and raise standards among members of the professional bodies in the estate agency sector
- Redress schemes – to ensure that the schemes act in a consistent manner in accordance with their approval criteria
- Attended and given presentations at the Association of Residential Landlords, Scottish Trading Standards & National Association of Estate Agents regional conferences & also exhibited at the Chartered Trading Standards Institute national conference in Harrogate
- Given practical training on the Estate Agents Act and relevant consumer protection regulations provisions to colleagues at the London Trading Standards Authorities group
- Continued on-going research into two major project areas to determine the scope of any consumer detriment and make recommendations to NTS, BEIS and the Competition and Markets Authority as to any proposed courses of action
- Been successful in negotiations with Her Majesty's Courts and Tribunals Service such that the Judicial Intranet now highlights the need to inform NTS Estate Agency

Team of cases involving Estate Agents. The Team will be informed of the official judgment from the relevant court as part of their investigations.

- Continued to meet and work with other stakeholders such as Which?, the redress schemes, property portals, consumer organisations and professional bodies to improve liaison between enforcement agencies and other partners in the estate agency industry.

The Team has also collected relevant intelligence reports in Memex throughout the year and has maintained a social media presence via Twitter.

National Trading Standards Estate Agents Team Management Data

	Apr – Jun 2017	Jul – Sep 2017	Oct – Dec 2017	Jan – Mar 2018	TOTAL
Complaints received	42	93	262	62	459
Requests for advice received	17	65	32	11	125
Other enquiries received	5	15	13	6	39
Media enquiries received	2	1	2	2	7
Prohibition orders issued	3	8	0	5	16
Warning orders issued	0	0	0	1	1
Prohibition orders taken effect	8	2	4	2	16
Warning orders taken effect	0	0	0	0	0
Appeals against formal orders received	0	2	0	1	3
Applications to revoke or vary a prohibition or warning order	0	0	1	0	1

Table 13 – Estate Agents Team Management Data

Chapter 12 - Advertising Standards Authority

12.1 Background

The Advertising Standards Authority (ASA) is recognised as the 'established means' by which compliance with the Consumer Protection from Unfair Trading Practices Regulations 2008 and Business Protection from Unfair Trading Practices Regulations 2008 in relation to misleading, aggressive or unfair advertising is enforced. The introduction of the Control of Misleading Advertisements Regulations 1988 (implementing the Misleading Advertising Directive) provided a legal backstop for misleading non-broadcast advertising via the Office of Fair Trading. This backstop power transferred to NTS in April 2013.

NTS established liaison arrangements with the ASA for complaint advice through London Borough of Camden to ensure there is a legal backstop in place continues, with Camden delivering three days per month ongoing liaison. Any additional funding that is required in pursuing enforcement cases is provided via the NTG.

Liaison between ASA and Camden continues, with the two organisations meeting regularly.

12.2 Casework

The Team pursued three cases where the ASA could not bring traders into compliance. One case was completed, one case was concluded without a formal investigation and prosecution and there is a third ongoing case involving a copycat website. This case is under review and if it leads to prosecution will require further funding in 2018/19.

There are on average two to three referrals per month for the Team to assess. These referrals are exclusively related to online trading, and are usually based on misleading and fraudulent claims made on advertisers' own websites. Most advertisers quickly choose to come into compliance when contacted by Camden (often by voluntarily closing their websites). In other cases, online retailers have ceased their infringing behaviour following application for their websites to be taken down by web domain registrars.

Operation Stark

This case related to misleading health claims about 'live blood testing' and prescribing colloidal silver as a remedy. The ASA referred this to NTS because the trader would not comply with ASA rulings.

Following not guilty pleas by the owner to charges under the Consumer Protection from Unfair Trading Regulations, Food Safety Act and Fraud Act and a trial at Blackfriars Crown Court, the owner was acquitted of fraud but found guilty of two breaches of the Consumer Protection from Unfair Trading Regulations and one of the Food Safety Act, fined £2,250 in total and ordered to pay £15,000 costs. Moreover, the defendant was successfully made the subject of a Criminal Behaviour Order. This is important as it can be the means to effectively prevent future trading, with the defendant potentially being in contempt of court if he breaches the Order.

All referred cases appear on the ASA website.

12.3 Complementary Medical services

A number of future referrals are likely to relate to alleged breaches by people operating in the complementary medicines sector where there have been refusals to comply with ASA guidance. These cases are complex to prove using current legislation and there have been issues about access to appropriate expert witnesses.

During the year, NTS held discussions with BEIS and Department of Health about the conduct of these cases and the appropriateness of the use of NTS funds in this area. After lengthy correspondence, the BEIS Minister has confirmed that he considers this an appropriate use of resources and the Government would want this sector assessed. He committed to work with his Department of Health colleagues to ensure they support us in accessing appropriate expert witnesses where required.

Chapter 13 Animal Health

13.1 Background

ACTSO provides support for animal health and welfare work, funded by the Animal and Plant Health Agency, using the NTS Programme Office infrastructure. The work covers; policy coordination, project work and disease outbreak coordination.

The Animal and Plant Health Agency has agreed to extend the contract for a further 12 months' work in 2018/19.

13.2 Disease Control

ACTSO provides national representation and coordination for local authorities in responding to disease outbreaks. This involves attendance at National Disease Control Centre meetings if required and the provision of communication support between Defra, the Animal and Plant Health Agency and local authorities.

Two local authorities were supported with confirmed small outbreaks of avian influenza. There was liaison with a further eight where there were a number of high risk suspected cases which involved early liaison with relevant local authorities but fortunately in all cases disease was negated following testing.

Work continued on the lesson learned from the outbreak of anthrax in Wiltshire in the previous year. A MoU clarifying roles and responsibilities has been issued in partnership with APHA. This includes a lead role for them in coordinating advice from Government to ensure local authorities are not receiving conflicting advice about carcass disposal. APHA are planning to update their operation guidance in 2018/19 and ACTSO will revise the contingency plan Annex once all the information is available to us.

13.3 National Animal Health and Welfare Panel

Administrative support is provided to the National Animal Health and Welfare Panel and the associated knowledge hub. The Panel met four times. A workshop was held after the December Panel meeting. This was used to share ideas on improving/assisting local authority enforcement as part of the Defra review of the local authority animal health and welfare role. There was also a discussion on guidance for livestock market audits as part of the project to update the Animal Health and Welfare Framework document.

13.4 Project Work

ACTSO has worked on a number of project areas as part of the contract including:

- Updating the Animal Health and Welfare Framework that will be published in summer 2018, following considerable development and consultation work.
- Producing a summary on the Official Feed and Food Controls.
- Developing livestock markets guidance which will be published with the Framework.
- Undertaking a survey about local authority on farm activity. A report summarising the findings showed that local authority on farm visits have fallen by an estimated 23% over the past three years.
- Investigating the number and types of 'unproductive' reactive visits to farms.

ANNEX 1 – Programme Office Structure

Wendy Martin
Director
Wendy.martin@actso.org.uk
Support for Chairman
National Trading Standards Board Meetings
Strategic Policy support to Association of Chief Trading Standards Officers
Grants and Budgets
Animal Health Outbreaks
Oversight of all Programme Office work

Margaret Humphreys
margaret.humphreys@actso.org.uk
Membership Officer, Association of Chief Trading Standards Officers
Programme Support Officer, National Trading Standards (0.65 FTE)

Donna.sidwell@actso.org.uk
Programme Manager
Communications
Intelligence; Data Sharing;
Animal Health Support
Liane.mcnabb@actso.org.uk
Programme Officer
Safety at Ports; Illegal Money
Lending; Sanctions database
Abigail.mahony@actso.org.uk
Programme Officer (0.6 FTE)
Ports; Consumer Protection
Partnership

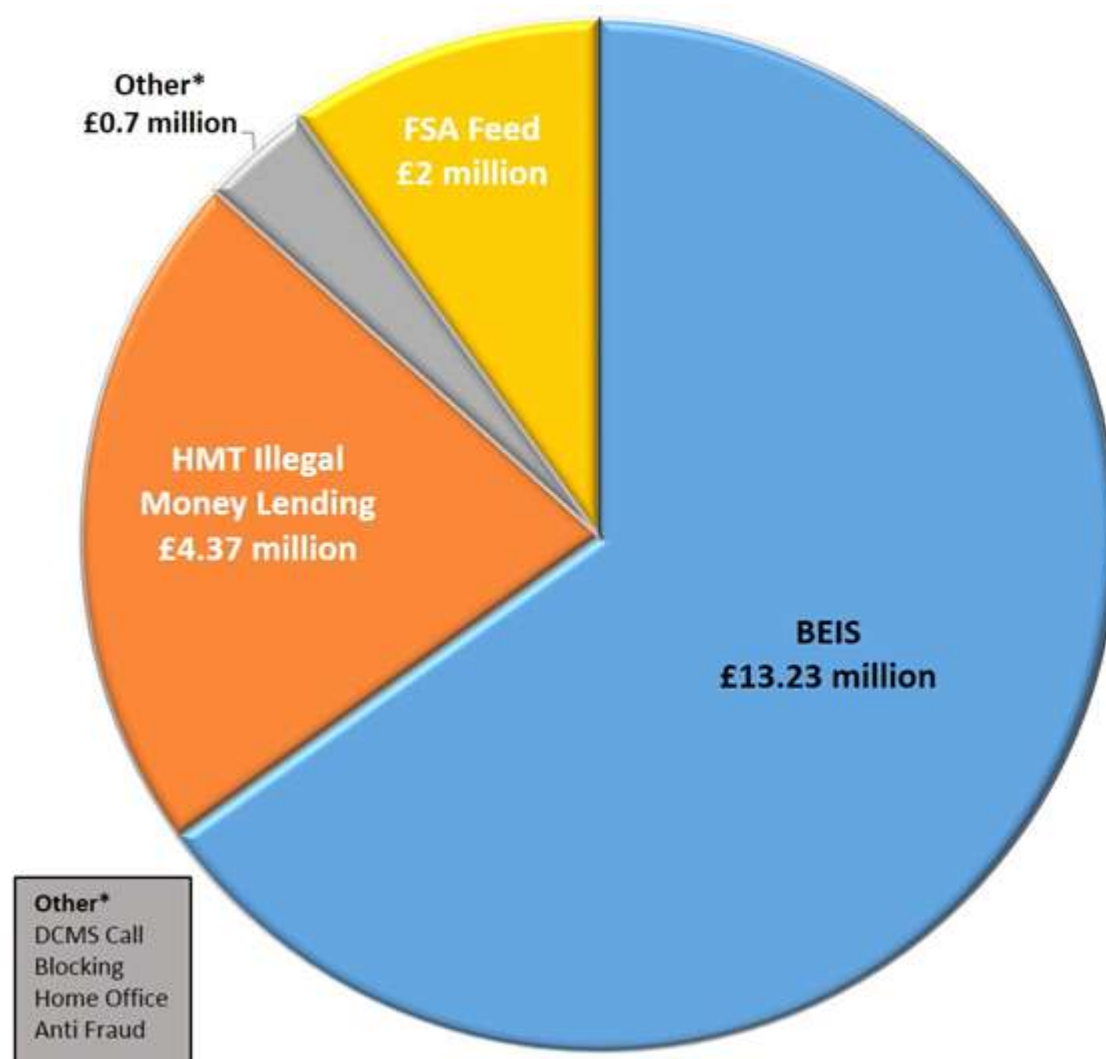
Ian.murrell@actso.org.uk
Programme Manager (0.6 FTE)
RITs; E Crime; Scams
Cheri.lloyd@actso.org.uk
Programme Officer
RITs; E Crime; Scams; Estate
Agents

Colin.perrins@actso.org.uk
Programme Manager (0.6 FTE)
National Tasking Group;
Consumer Protection Partnership
Susan.richards@actso.org.uk
Programme Officer
National Tasking Group;
ASA

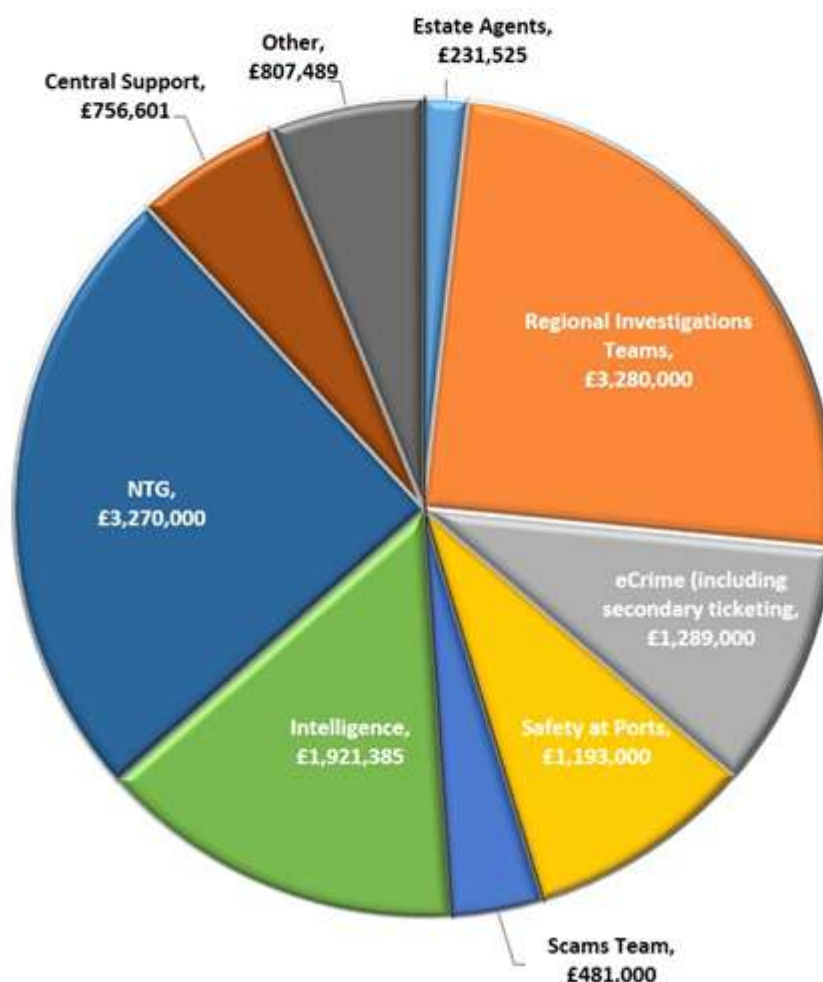
Vicki.gracie-langrick@actso.org.uk
Programme Manager (0.7 FTE)
Feed Delivery; National Agriculture
Panel; National Animal Feed at Ports
Panel
Jennifer.attfield@actso.org.uk
Feed Delivery (0.4 FTE)
Gwyneth.rogers@actso.org.uk
Feed Expert Groups (0.3 FTE)

ANNEX 2 – Allocated Funding 2017/18

Overall Funding



BEIS Grant Funding

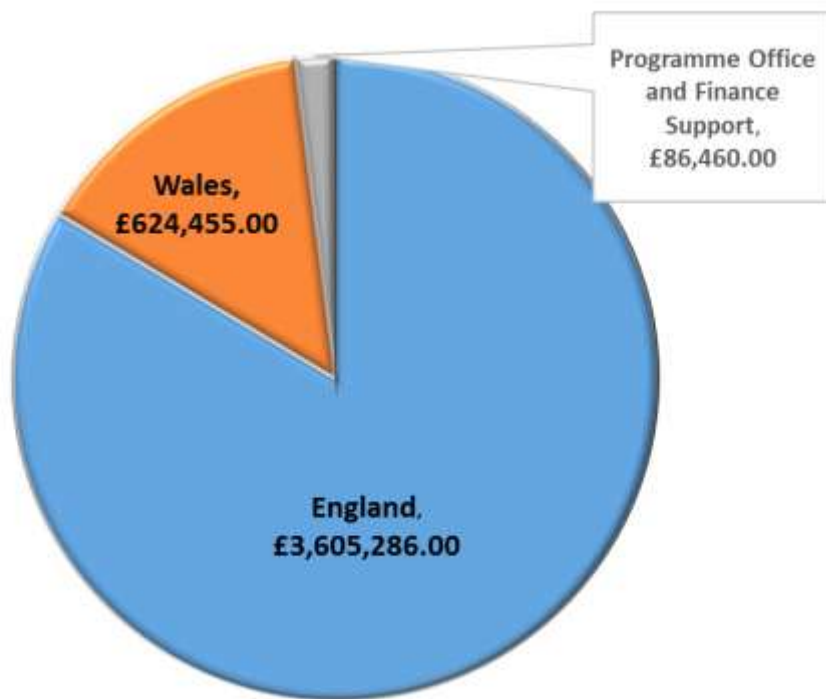


Additional Breakdown of Costs

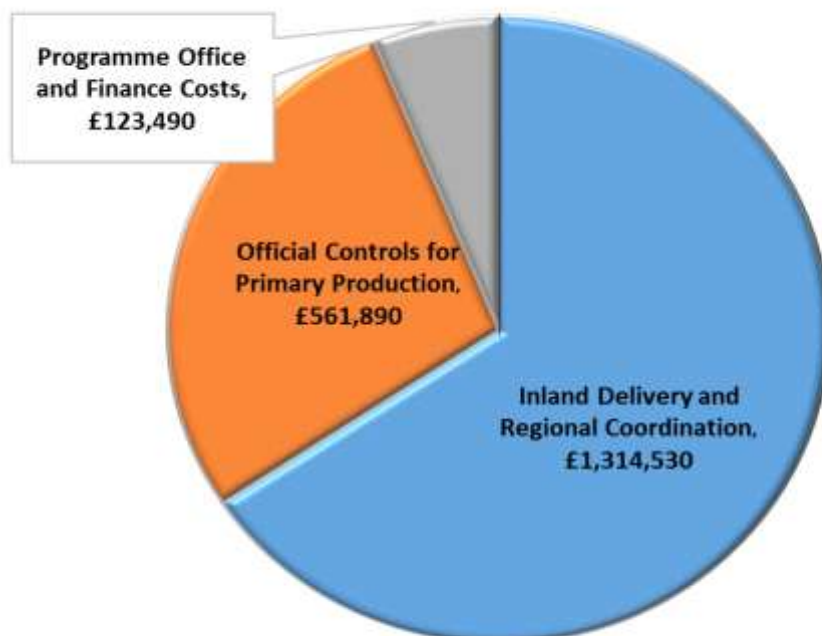
Other	£	Central Support	£	Intelligence	£
Regional Coordination	£300,000	Programme Office	£590,000	NTS Intelligence Team	£592,000
ASA Liaison	£19,000	Chair Costs	£51,500	Regional Intelligence	£810,000
TSI Conference	£4,000	TSI Finance	£115,101	Other Intelligence	£37,000
Contingency	£333,673			Local Intelligence Databases	£165,000
Communications	£150,816			Memex/I2/IDB/PNC/Crimson	£317,385
	£807,489		£756,601		£1,921,385

The BEIS grant to NTS totalled £13.23 million. The breakdown above shows the allocations of this grant to the different work areas by the NTS Board.

HM Treasury Grant for Illegal Money Lending



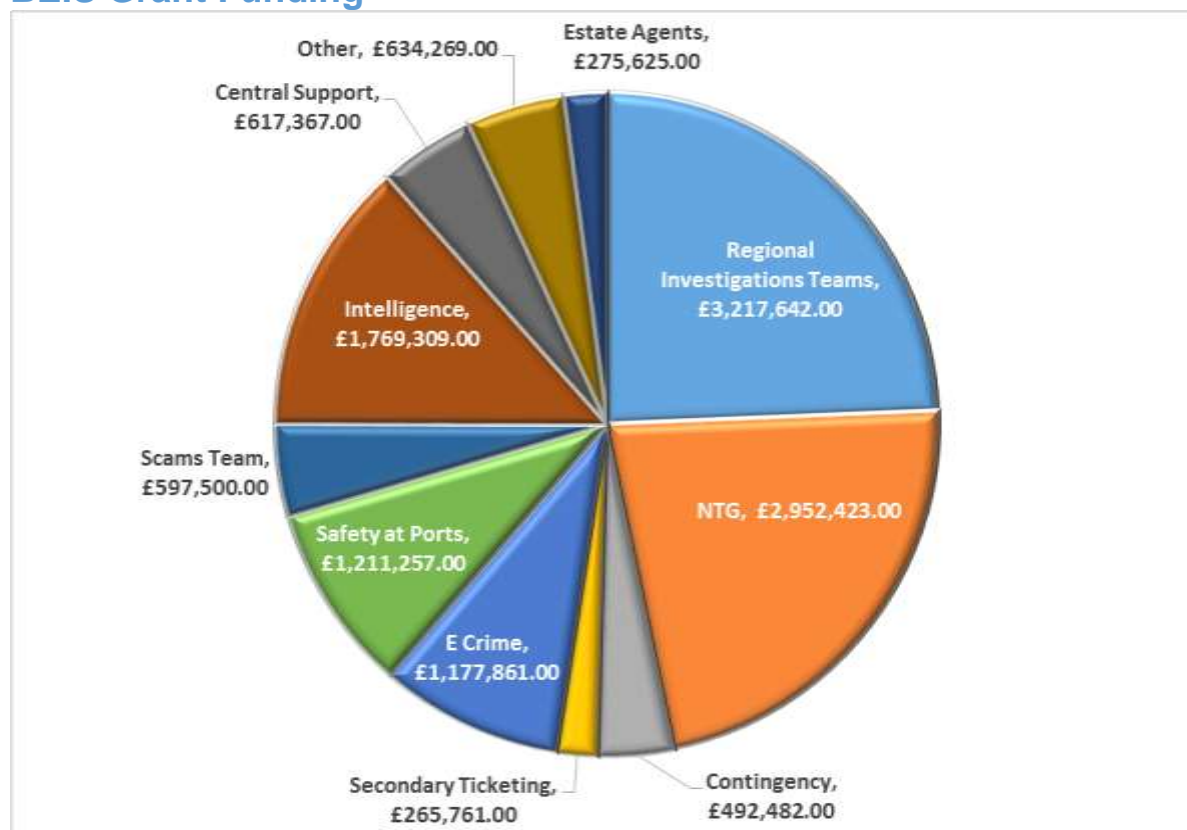
FSA Funding for Feed Delivery



ANNEX 3 – Actual Spend

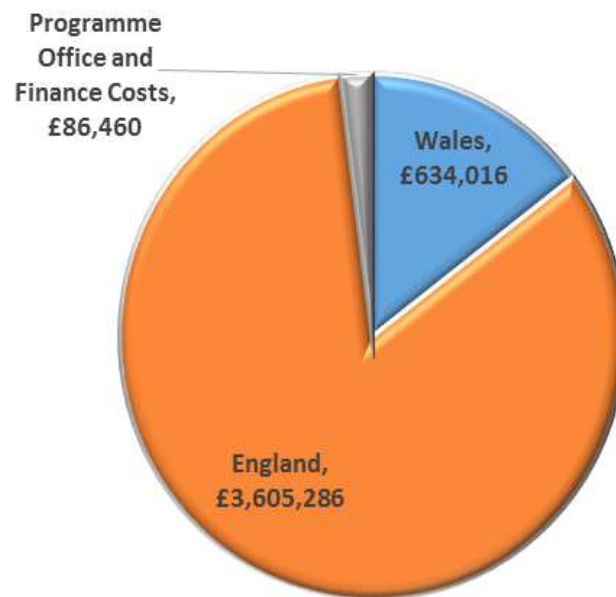
The tables below show the actual spend by National Trading Standards in its work programmes.

BEIS Grant Funding

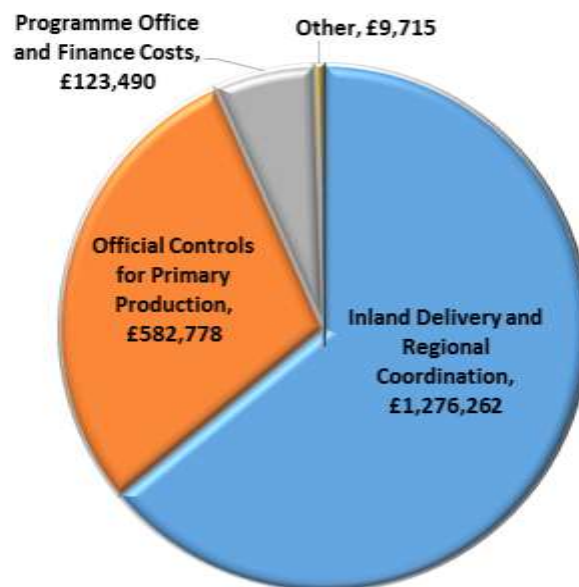


Other		Central Support		Intelligence	
ASA Liaison	39000	Programme Office	453595	NTS Intelligence Team	555990
CTSI Conference	4204	Chair Costs	48671	Regional Intel Analysis	762694
Regional Coordination	300000	CTSI Finance	115101	Other Intelligence	36820
Communication	129657			Local Intelligence Dbases	164000
Other projects inc reviews, training, e learning and Brexit	161408			Memex/I2/IDB/PNC/Sanctions/Crimson	249805
	£634269		£617367		£1769309

HM Treasury Grant for Illegal Money Lending



FSA Funding for Feed Delivery



ANNEX 4 – Key Performance Indicators from BEIS

Objective	Outcome	Key Performance Indicator
GOVERNANCE AND, TRANSPARENCY: Activity: Ensure and demonstrate effective governance transparency arrangements for the work of NTS - to our partners, the UK Government and the National Audit Office.	<ul style="list-style-type: none"> NTS activities are transparent, accountable, due to robust governance procedures and activities. Each work-stream and enforcement project has efficient and effective oversight – allowing for optimum performance. Risks and issues which may negatively affect NTS overall performance and/ or reputation prevented from materialising through active management. 	<ul style="list-style-type: none"> NTS role, activities and governance are clearly presented through NTS website. Business Plan and Annual Report: <ul style="list-style-type: none"> (a) Sets out objectives to protect consumers (b) Reports measurable performance against objectives (c) Highlights effective governance of NTS/ Projects. Evidence of effective and proactive risk/ issue management. Annual report to demonstrate positive cost/ benefit ratio of NTS work for each major work-stream.

Objective	Outcome	Key Performance Indicator
INTELLIGENCE: Activity: Monitor and enhance the framework for sharing intelligence, and the use of intelligence in order to identify and tackle emerging threats more efficiently and effectively.	<ul style="list-style-type: none"> Intelligence gathering systems are fit for purpose, leading to reduction in size of intelligence gaps, and accurate identification of detriment picture. NTS use accurate intelligence to effectively prioritise action against areas of emerging/ high detriment. High quality intelligence is shared with local and regional Trading Standards – enabling them to effectively tackle non-national threats. 	<ul style="list-style-type: none"> Constructive partnership with Trading Standards Scotland to ensure effective use of MEMEX. Evidence/ examples of how intelligence gaps have been reduced during reporting year. Nature of existing gaps shared with CPP to consider further action. Clear alignment between control strategy and strategic assessment and majority of resources applied to those priorities Evidence of examples of subject and problem profiles that have been shared via the Regional Intelligence Analyst Network. Effective remedial action is taken to address issues.

Objective	Outcome	Key Performance Indicator
ENFORCEMENT Activity: Ensure effective delivery of national and cross boundary enforcement projects		
a. Operational delivery of the regional Regional Investigation Teams to tackle consumer detriment	<ul style="list-style-type: none"> Consumer detriment is being tackled as Regional Investigation Teams take effective action against rogue traders whose regional/ cross-regional activities are beyond the reach on individual local authorities. 	<ul style="list-style-type: none"> Number of operations commenced in the period. Evidence of the impact on individuals via case studies. Number of successful prosecutions. Value of detriment avoided.
b. Operational delivery of ECrime Unit to tackle consumer detriment.	<ul style="list-style-type: none"> ECrime Unit addresses detriment through monitoring, investigating, and tackling online consumer and business frauds – through proactive unilateral action, and in partnership with/ on behalf of other stakeholders. 	<ul style="list-style-type: none"> Number of operations commenced in the period. Number of operations where the team gave assistance to another local authority/ agency. Number of successful prosecutions. Value of detriment avoided.
c. Provide support to local authorities to identify Mass Marketing Scams and work with victims.	<ul style="list-style-type: none"> Scams Team tackle detriment caused by mass marketing scams through: <ul style="list-style-type: none"> (i) Disrupting the operations of perpetrators behind mail scams. (ii) Working in partnership with agencies across the country to identify and support victims of mass marketing fraud. (iii) Providing guidance, best practice and acting as a centre of excellence to assist local authorities in supporting local victims and taking local enforcement action. 	<ul style="list-style-type: none"> Number of successful disruptions/ enforcement actions. Number of pieces of advice provided to local authorities/other organisations. Value of detriment avoided. Annually report level of victims support provided by local authorities and flag key issues of concern
d. Provide resources at key Ports and Borders to prevent consumer detriment caused by the import of unsafe and non-compliant goods.	<ul style="list-style-type: none"> Dangerous/ non-complaint goods are prevented from entering the country and causing harm in the consumer market. 	<ul style="list-style-type: none"> % referrals where unsafe or non-compliant goods were identified. Number of unsafe and non-compliant products removed from UK market. Value of potential harm prevented by ensuring unsafe and non-compliant goods not released into supply chain. Evidence of supporting stakeholders through SPoC and East Midlands Airport Number of lives saved, fires prevented, serious injuries avoided
e. Managing the National Tasking Group to assess and resource appropriate cases.	<ul style="list-style-type: none"> NTG supports consumers and businesses through supporting and funding work in areas where the can the biggest impact can be made, or where there is greatest 	<ul style="list-style-type: none"> Evidence how the Board is more effectively taking on large, complex and national investigations and assessing by costs and risks involved. Annual assessment of impact to demonstrate that the resource invested

	need for action.	providing good value for money. <ul style="list-style-type: none"> • NTG tasking aligns with control strategy and strategic assessment and majority of resources applied to those priorities
f. Provide enforcement of the Estate Agency Act .	<ul style="list-style-type: none"> • Consumers and businesses by are protected through effective oversight of the Estate Agents Act (1979). 	<ul style="list-style-type: none"> • Number of warning and prohibition orders issued. • Number of redress schemes approved/ approval withdrawn. • Demonstrate that Powys is effective monitoring the estate agent redress schemes. • Evidence of provision of advice, guidance and expertise in the application and interpretation of estate agency legislation - shared with colleagues across the enforcement community.

Objective	Outcome	Key Performance Indicator
STRENGTHENING THE CONSUMER LANDSCAPE Activity: Leading the coordination, collaboration and communication of local, regional and national Trading Standards enforcement. Supporting the Consumer Protection Partnership and the wider consumer landscape.	<ul style="list-style-type: none"> • Local authority trading standards services are supported through national tasking and intelligence to tackle NTS identified national enforcement priorities within their communities. • The CPP is stronger as a result NTS membership and contributions - more able to identify, prevent and tackle consumer detriment. • Collaboration with stakeholders across the landscape (this might be individual ASA, FSA, CPP members, NFIB, and others) tackles rogue traders. 	<ul style="list-style-type: none"> • Evidence NTS coordination ensures Trading Standards Community work effectively together to tackle harm occurring: (a) Nationally (b) Regionally (c) Locally • NTS is bringing worthwhile issues and intelligence to the CPP for consideration, and feeding in the work of non-members. • NTS is taking individual and collective responsibility for effective delivery of CPP work. • Evidence of effective work with non-CPP members to strengthen landscape and tackle consumer harm.

ANNEX 5 – Detriment Calculations

Detriment figures quoted in the introduction to this report are calculated as the sum of the following

1. Consumer and Business Detriment avoided through NTS Regional Investigation Team actions. This is based on the percentage of the RITs' contribution x Team x value of intervention and includes retail value of seized goods and financial value of complaints that were the subject of the investigation. (For any other NTS investigations funded by the National Tasking Group but done via a local authority, the detriment is that quoted on the initial referral figure.)
2. Potential Fraud uncovered by the NTS E Crime Team
3. The value to society of unsafe and non-compliant goods taken out of the supply chain. These are calculated at £31.66 per item, based on independent research conducted by Matrix in 2014 with appropriate inflationary increases based on retail price index.
4. Total Savings to consumers by the NTS Scams Team which is calculated by combining the below figures:
 - Detriment recorded by Trading Standards, (The amount of money that a victim has lost to scams that is calculated by the visiting TS officer. e.g. a TS Officer visits Mary who advises them that she has been responding to scam mail for the last three years, sending off £50 per month. This would be submitted by the TS Officer as £1800 detriment for Mary. All TS feedback to us on a figure for each of their victims (if there is one/they can calculate one)
 - Savings recorded by Trading Standards,
 - Savings recorded by the Team based on actual money returned and ("actual savings to consumers");
 - Savings estimated from disruptive work (based on 18% return rate and an average £25 spend by victims) ("other results of interventions etc.")
5. Prison sentences quoted include both immediate and suspended sentences.

Detriment is calculated in relation only to BEIS related and funded work areas.

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For any enquiries about the content of this report.

Please email nationaltradingstandards@actso.org.uk or call 0345 608 9515.

Alternatively, you can write to National Trading Standards, 1 Sylvan Court, Sylvan Way, Southfields Business Park, Basildon, Essex SS15 6TH