

**NATIONAL
TRADING
STANDARDS**

Protecting Consumers
Safeguarding Businesses

ANNUAL REPORT 2019-2020

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Executive Summary

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

- **6603** Feed interventions
- Dealt with **£ 219,442,873** in consumer and business detriment¹
- Had **64** people convicted of offences
- Prison Sentences totalling **91 years and 5 months** were handed down
- Fines of **£413915** were issued
- Took **5,256,377** unsafe and non-compliant goods out of the supply chain
- Takedowns or suspensions of **856** websites.

Between 1/4/14 (when all NTS Teams were fully functional) and 31/3/20, NTS tackled over £1 billion in detriment (£1,004,442,873) for a core spend of £79.44² million. £12.64 impact for every £1 spent.

Funding	Funding Body	Purpose
£13,225,000	Department for Business Energy and Industrial Strategy (BEIS)	Serious consumer protection enforcement, scams and ports safety
£2,100,000	Food Standards Agency (FSA)	Safety of Animal Feed Chain
£560,000	Ministry for Housing Communities and Local Government (MHCLG)	Estate Agency work
£500,000	Home Office	Knife Crime
£800,000	MHCLG	Lettings (inc £475,000 one off set up and training funds)
£890,000	DCMS	Call Blocking Project
£17,542	IPO	Availability Index Project

The Consumer Protection Partnership continued support the Government in protecting consumers throughout the EU Exit transition period. NTS contributed to this with dedicated EU exit related intelligence resource in the Intelligence Team.

NTS delivered 6603 **feed official control activities**. NTS have delivered 6603 activities in 19/20. That is 95% of committed activity nationally. 2132 third country imported feed consignments have received funded checks. NTS collated data on national businesses

¹ See annex 5 for detriment calculations

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

compliance trends. 70.4% of all inland premises are classified as having satisfactory or above levels of compliance (a slight increase on the previous year). NTS supported the FSA to develop a national training programme which was delivered to 142 officers from 82 local authorities across England. Various guidance was issued with the support of expert Panels.

There have been **delays on the PND onboarding process** as the Home Office have had to undertake an additional level of encryption for the IT connections and due to concerns raised by National Police Chiefs Council. There is still no solution to data sharing problems with **Action Fraud**.

The NTS Intelligence Team completed the **strategic assessment** process to enable the Board to agree priorities and to plan for 2020-21. They also **map serious and organised crime groups** and nationally flag nominals on behalf of Trading Standards Services and NTS Teams. There are 44 active OCGs mapped and 146 nominals flagged on PND for Trading Standards Services in England and Wales and NTS Teams.

The new **Crimson based Tasking Activity Reports** have been rolled out to Action Managers and Regional Intelligence Functions to provide a consistent reporting format.

An analysis was carried out to show how **NTG budgets** had been allocated to NTS priority areas over the last 5 years. The top two were Energy related fraud and fair trading. NTG considered 66 referrals of which 52 were agreed.

NTG supported five **used car** investigations in local authorities. Disruption of providers of digital mileage adjustment services was carried out. Out of 54 websites identified: 40% have ceased to advertise, seven had their websites taken down; and only 18% of the businesses continue not to have guidance/legal disclaimer.

An intelligence report identified local businesses across the country who are **providing fake vehicle service stamps and books**. Local authorities were supplied with intelligence to enable them to take local enforcement or disruption action if they were able to do so. TS South West undertook audits to identify unsafe/ unroadworthy cars at their regional most complained about used car traders. They undertook audits at 40 traders. 30% of vehicles were found to be unsafe/unroadworthy and prohibited.

NTS is supporting five large, **energy related fraud** cases via NTG funding. This is in addition to six RIT led investigations relating to energy. One very large case was completed with five defendants found guilty and sentenced to a combined total of 12 years imprisonment. Work is being done to carry out more data sharing with different partners.

The enforcement phase of Operation Beorma (**supply chains in markets**) has continued to identify OCGs involved in counterfeiting. A significant quantity of electronic devices were seized together with incriminating paperwork and two commercial vans with significant amounts of counterfeit products. NTS has assisted other Trading Standards services conduct enforcement action where a connection to Operation Beorma nominals has been identified.

An NTS **Doorstep Crime** Working Group was set up. A full Doorstep Crime Problem Profile would be produced in 2020-21. We piloted work on using CCTV in doorstep crime victims' homes. Seven doorstep crime cases were completed either by NTS Teams or with NTG support. Recently four new RIT doorstep crime cases have commenced. In each case elderly and vulnerable people have been targeted.

The **Regional Investigation Teams** have 89 live cases. The consumer and business detriment avoided through the Regional Investigations Teams' intervention this year is £17,643,249. Many of the Teams cases related to the priority areas detailed above. This year the Teams' efforts led to: 19 defendants being convicted with over 27 years prison sentences, £200,000 in fines, and three company directors being banned. One Team received a Judge's commendation. NTS has written to HM Court Service, outlining our serious concerns about lack of access to the Digital Courts Service.

The **NTS eCrime Team** has 12 live investigations. Seven cases were completed this year including the Operation Dougal POCA case, the large copycat website case, where confiscation awards of over £6 million were made against the seven defendants. 856 websites were taken down. The consumer and business detriment avoided by the eCrime Team's intervention was £4,024,712.

The first **secondary ticketing** fraud trial was completed with the defendants being found guilty and imprisoned for over 6 years. The financial value of the fraud exceeded £3.5 million. Following agreement that NTS should test the secondary ticketing provisions of the Consumer Rights Act, judgment was received that when determining a level of fine, the local authority cannot take into account the history or volume of ticket sales. A detailed note has been circulated to all Trading Standards services and the implications of this ruling were discussed with BEIS.

The **Digital Evidence Unit** supported 49 local authorities' and Regional Investigation Teams' investigations. They examined 155 PCs/laptops, 189 mobile phones and 233 other devices.

Ports and Borders Teams prevented over 5.25 million unsafe and non-compliant items entering the UK supply chain. The cost to society, had these items not been removed, is calculated to be over £173 million. Problems found included:

- Cosmetics containing diesel and hydroquinone (one spilled on the evidence room floor and this has permanently burnt the floor).
- potentially dangerous talc (possibly containing asbestos fibres).
- A wide range of unsafe electrical goods including adaptors, lights and dangerous hot hair brushes (one of which caught light during the test resulting in the laboratory having to be evacuated).
- Toys that presented choking hazards, strangulation hazards and which contained dangerous banned batteries, and excessive amounts of lead and strontium.
- A consignment of baby walkers which collapsed as soon as they bore any load.
- Dangerous facial saunas.
- Electric bikes where the power assisted motor did not cut out. On the test track, the bike reached 47kph before the test was halted.
- Toys that presented choking hazards and Jewellery and counterfeit watches with excess Nickel.

The **NTS Scams Team** has data sharing agreements with 177 of 197 local authorities enabling them to make victim referrals. This year the Team saved consumers £22,703,586 through its investigations and disruption work and the savings made through local authority support. This year, NTS has noticed a change in the scams landscape. The Team's successful work with Royal Mail and the mail industry has stopped the classic "scam solicitation" mailings. These bold "guaranteed winner, urgent mail please open, seven days to reply" style of letters are being replaced with smaller plainer envelopes targeting previous responders to scam mail.

Utilities Against Scams was launched. It provides training and a toolkit especially designed for utility companies. There are now over 414000 **Friends Against Scams**, more than double the total at the beginning of the year.

The **NTS Estate and Letting Agency Team** was given the lead lettings role and recruited and set up the new Team. 20 one day training workshops have been delivered. The training was attended by over 700 delegates drawn predominantly from Trading Standards enforcement officers and managers but also from housing, environmental health and legal. Considerable work has been done to produce a comprehensive catalogue of digitally available resources to local authorities. This year the Team issued 16 Notices of Proposal to prohibit/warn and had 64 cases under investigation and 30 cases awaiting assessment.

The Team has been approached by the Titan Government Agency Intelligence Network in relation to an investigation into an organised crime group which has acquired control of over 110 properties. The OCG appears to have a number of tenants who are forced to allow the use of their home for a number of criminal purposes such as brothels, cannabis farms, and storage for illicit goods.

Buckinghamshire and Surrey Trading Standards continues its role as the **Advertising Standards Authority** legal backstop with 12 live cases. The bulk of referrals relate to health claims, but others include copycat websites and property raffles which are being led by the NTS E crime Team and Estate and Letting Agency Team respectively.

Animal Health and Welfare: Outbreak support has been provided in for one confirmed avian influenza outbreak and 13 other suspected outbreaks. Project work included delivering: a new Framework Agreement; livestock markets inspections guidance and a survey; work on using APHA TB intelligence to prioritise inspections and support for the national Animal Health and Welfare Panel.

Eight authorities received up to £20,000 to augment their **knife test purchasing** activities. There were 387 test purchases with 32 sales (8.3%). Croydon Trading Standards made 100 online test purchases with 41 sales (41%). 17 prosecutions took place. Of the completed trials, 15 defendants were found or pleaded guilty and were fined a total of £161255. There has been a clear shift away from kitchen knives and knife sets being sold, towards Stanley/Utility knives and Stanley knife blades.

NTS compiled the first **national data on knife purchasing activity** undertaken in 2018/19 by all Trading Standards authorities in England and Wales. There had been 2231 Premises Based Test Purchases, over 15% resulted in sales, over half of which were by national retailers.

Chapter 1 - Introduction

This report summarises the work that has been undertaken and commissioned by National Trading Standards (NTS) and its Teams between 1/4/19 and 31/3/20.

COVID 19: -We are aware that some work in relation to Covid 19 began at the end of March, but in order to provide a coherent narrative about the impact on NTS Teams and work, this will all be included in the first quarterly report for 2020-21.

NTS delivers national and regional consumer protection enforcement. Its Board is made up of senior heads of Trading Standards Services from across England and Wales with an independent Chair. Its purpose is to protect consumers and safeguard legitimate businesses by tackling serious national and regional consumer protection issues and organised criminality and by providing a “safety net” to limit unsafe consumer goods entering the UK and protecting food supplies by ensuring the animal feed chain is safe.

NTS had a National Control Strategy for 2019/20 that was developed having regard to the National Strategic Intelligence Assessment.

Objective 1	Objective 2	Objective 3	Objective 4	Objective 5
Provide a framework for the effective sharing of intelligence in order to identify and tackle emerging threats, and support Trading Standards across England and Wales.	Ensure effective delivery and coordination of enforcement in relation to serious consumer protection crime (including eCrime and business to business fraud) and mass marketing scams.	Provide and coordinate a network of controls at key border points to identify and tackle the importation of unsafe consumer goods and animal feed.	Deliver a programme of animal feed hygiene enforcement to help ensure the safety of the food chain and protect the UK export market.	To deliver a programme of national enforcement, advice and support for local authorities in relation to the property market, in particular the activities of Estate and Lettings Agents

Figure 1 – Strategic Objectives 2019-20

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.

Chapter 2 - Programme Office, Funding, Policy

2.1 Programme Office

The Programme Office for NTS is provided by ACTSO Ltd. It is funded via a small proportion of each of the grants provided to NTS and a small sum from the Animal Plant Health Agency to provide support for the National Animal Health and Welfare Panel and support for local authorities in animal disease outbreaks. The Programme Office provides support to the Board, Governance Groups and NTS Teams as well as providing all the required liaison with Government, performance reporting and other functions to enable the NTS system to work effectively.

2.2 Governance Structures

The Board has established governance groups for each key work area. Details are available on the NTS website. Governance groups comprise two or more members representing the Board, relevant project leads and support from the Programme Office. These provide the oversight and strategic direction for the work. The Board is advised of progress at regular intervals as well as giving a strategic steer or decision on any matter that is referred up to the full Board.

2.3 2019/20 Funding

Funding Provided	Funding Body	Purpose	Final Spend
£13,225,000	Department for Business Energy and Industrial Strategy (BEIS)	Serious consumer protection enforcement, scams and ports safety	£13,152,156
£2,100,000	Food Standards Agency (FSA)	Safety of Animal Feed Chain	£2,056,832
£560,000	Ministry for Housing Communities and Local Government (MHCLG)	Estate Agency work	£524,779
£500,000	Home Office	Knife Crime	£293,399

			Significant underspend as budget allowed for trials and appeals which were not required.
£1,050,000	MHCLG	Lettings (inc £475,000 one off set up and training funds)	£610,648 Significant underspend due to very large set up and training costs being provided for one year only.
£890,000	DCMS	Call Blocking Project	£890,000
£17,542	IPO	Availability Index Project	£10336 Underspend as contingency not required and some March visits could not take place due to Covid 19

Table 1 – Funding 2019/20

2.4 Consumer Protection Partnership

The Consumer Protection Partnership continued to be a priority work area for 2019/20. The Chair and Director participate in the Strategy Group. A Programme Officer supports the Operational Group. 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

The priority project areas which commenced in 2018/19, and continued into 2019/20, were: holidays and international travel and home improvements, including energy efficiency measures. The home improvements project has been closed. Work on holidays and international travel and energy is now a watching brief. NTS continues to liaise with BEIS and TS Scotland as a part of its work on energy.

The Partnership continued to support the Government in protecting consumers throughout the EU Exit transition period. NTS contributed to this with dedicated EU exit related intelligence resource in the Intelligence Team along with attendance at regular intelligence meetings arranged specifically to monitor consumer harm related to EU exit.

During the year the Knowledge Hub Manager role was restructured to include a senior policy advisor and a data analyst. As a result of this the new personnel worked with the operational and intelligence groups to revise and improve the way the partnership analyses data and sets priorities for work.

The Partnership is working on a consumer detriment survey led by BEIS. NTS committed some funding towards the costs of producing this.

At the end of the final quarter of the year the Partnership has taken the lead in supporting government to protect consumers through the current Covid-19 pandemic. The NTS Intelligence Team collates all Trading Standards database entries on a daily basis and this is disseminated, alongside other partners' intelligence, to all partners weekly. NTS has also been involved through joint messaging on scams and fraud.

2.5 Communications and Media

Media and external communications support are provided by Barley Communications. The Programme Office remains responsible for direct communication with the Trading Standards community and provides Government with support in answering relevant parliamentary questions, freedom of information requests and ministerial correspondence.

in Q2, Barley Communications developed 8 media releases, resulting in 23 pieces of coverage across national, regional, online and trade media, with a total audience of 90,976,753. Barley also supported spokespeople for a BBC *Watchdog* programme on knife crime and contributed to a *MailOnline* piece about copyright websites.

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This is MONEY
The numbers behind how National Insurance is being for small business when change you for details you can get for free.

DAILY EXPRESS
Gangs of organised criminals use slaves to target the elderly in doorstep scams

Sky News
Homeless, homeless, homeless: how used to be homeless

BBC RADIO 2
TODAY

THE TIMES
Offers of cheap work at the door likely to involve slaves

ITV

BBC RADIO 6 MUSIC

The release of the Consumer Rights 2019 report secured the most coverage in Q2 – generating more than 80 pieces of coverage in total. This included widespread national broadcast and print coverage. Print and online pieces appeared in *The Times*, *BBC News Online*, *Sky News Online*, *Daily Mirror*, *Daily Express* and *Daily Mail*.

The report was widely picked up across broadcast channels (48 pieces), including several mentions on BBC Radio 4's *'Today'*, as well as coverage on BBC Radio 5 Live, BBC Radio 2 and BBC Radio 6 Music. Lord Toby Harris was interviewed for *Sky News* and *Channel 5 News* and Steve Paine was interviewed on *ITV 1's Lunchtime News*.

The story that secured the most coverage was the announcement of the new **National Trading Standards Estate & Letting Agency team**, which secured coverage across trade and national press including *Estate Agent Today*, *Property Industry Eye*, *Letting Agent Today*, *The Negotiator* and *The Sun*. Key messaging and quotes from Trading Standards spokespeople were included in all 16 pieces of coverage, which reached an audience of 86,767,154.

Barley also developed an infographic to showcase the highlights of NTS work over the last 12 months. This was created to share with all NTS teams and to be shared with media to demonstrate the work of NTS.

The Negotiator
The story that secured the most coverage was the announcement of the new National Trading Standards Estate & Letting Agency team, which secured coverage across trade and national press including Estate Agent Today, Property Industry Eye, Letting Agent Today, The Negotiator and The Sun. Key messaging and quotes from Trading Standards spokespeople were included in all 16 pieces of coverage, which reached an audience of 86,767,154.

EstateAgentTODAY
The new who police the agency industry - an exclusive interview

Sun
FIGHT FOR YOUR RIGHT Letting agents face court action if they don't stick to new rules banning tenant fees
A new watchdog has the power to make rogue agents to court where they could face an unlimited fine or even a prison sentence

In Q3 (between October 2019 and December 2019), Barley Communications developed four media releases and handled multiple media enquiries from national, regional and trade journalists. This led to more than 108 pieces of positive coverage across broadcast (58) and national print (13) media, with a total audience reach of more than 231 million+. A spokesperson quote was included in 91% of print coverage, and a call to action in 50%.

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- The comparatively large coverage numbers this quarter are largely down to the release of the Consumer Harm Report, as well as:
- Proactive media to promote free call blockers available from the NTS Scams Team (coverage in the Daily Mail and Daily Mirror)
 - A range of interviews arranged with the NTS Estate & Letting Agency Teams (including The Times)
 - Capitalising on media interest around copycat websites in December, securing six pieces on MailOnline, two pieces in the Daily Mail and one piece in the Mail on Sunday.



In Q3, Barley Communications developed 7 media releases, resulting in 30+ pieces of coverage across regional, online and trade media, with a total audience of more than 26.5 million. A spokesperson quote was included in 86% of coverage, and a call to action in 54%.

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National coverage was secured in the Daily Mirror and the Daily Mail to promote new call blockers being issued by the NTS Scams Team. The Daily Mirror also covered a recent investigation by the NTS eCrime Team regarding a joint operation with Hillingdon Council. The story that secured the most coverage was the redress scheme warning for estate and lettings agents, from the National Trading Standards Estate & Letting Agency team.



In August, Barley Communications worked with National Trading Standards to develop a story based on NTS' investigation into the illegal sales of knives to under-aged children.

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Barley secured 80+ pieces of coverage in national, regional and trade media, across print, online and broadcast channels.



In Jan-March 2020, Barley Communications developed 15 media releases and handled multiple media enquiries from national, regional and trade journalists. This led to more than 1000+ pieces of positive coverage across broadcast (285) and print and online (648) media, extensive national coverage.

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The majority of coverage in Q4 resulted from Operation Eiffel and the proactive media activity around COVID-19 scams. In addition, in Q4 coverage came from:

- Quick sale agents - Alison Farrar was interviewed by Radio 4 Moneybox which led to interest and interview requests from the national press and property trade titles, including the Daily Telegraph and The Negotiator
- The launch of the referral fees survey by Estate & Letting Agency Team generated coverage in the property trade press and included comments from James Munro
- Operation Goldy (marketing scams) and Operation Slick (rouge trader sentencing) prosecutions were both picked up by the Daily Mirror and across regional media.



More than 1000 pieces of coverage were secured around the prosecution and sentencing of Peter Hunter and David Thomas Smith in February 2020. This was the first successful prosecution against a company fraudulently reselling tickets on a large scale, led by the NTS eCrime Team.

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National Trading Standards led proactive media relations on behalf of the Consumer Protection Partnership to highlight emerging scams around COVID-19. Coverage is still appearing, but it has already secured more than 14 pieces of national coverage including BBC News, Daily Mail, The Times, Sky News and the Guardian.



2.6 Strategic Policy Work and Support to ACTSO

The NTS Director provides strategic policy support to ACTSO as part of the Programme Office work. The main areas of work this year have been in relation to:

- Law Commission Reviews on entry warrants and POCA,
- FSA Regulating our Future Programme,
- Insolvency Project,
- Enforcement of food labelling post BREXIT,
- Cyber security labelling,
- OFGEM consultations,
- New burdens funding for tobacco enforcement
- A survey of members' priorities,
- A consultation on Serious and Organised Crime
- Single use plastics.
- Provision of support for the first ACTSO Impacts and Outcomes return.

At the very end of March, ACTSO and NTS began work to support local authorities and NTS Teams in relation to Covid 19.

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

NTS receives funding from the Food Standards Agency (FSA) to support a programme of work to ensure the integrity of the animal feed chain and protect food safety and UK meat exports. This is delivered via the nine regions in England who work with all local authorities to deliver the controls.

3.2 Official controls delivery

NTS have delivered 6603 activities in 19/20. That is 95% of committed activity nationally.

A total of 2132 third country imported feed consignments have received funded checks at English points of entry in 19/20.

NTS have met all performance targets set by the FSA for national ports activity by delivering:

- 100% documentary checks (target 100%)
- 6% ID checks (target equal or greater than 5%)
- 6% physical checks (target equal or greater than 5%)

3.3 Compliance trends

FSA require a number of national data reports as part of their commissioned activity. NTS collated data on national businesses compliance trends from its national planning process and specific non-compliance data for inspected businesses from two regions.

70.4% of all inland premises are classified as having satisfactory or above levels of compliance. This is an increase on 2019-20 figures (69%)³.

Across all farm premises 32% are satisfactory and above, this is an increase from 30% in 18/19. 74% of primary production food businesses also fall in this bracket.

³ Data for the desk top model is collected in advance. Thus figures compare 20/21 and 19/20 unlike all other data sources which are for the year just completed.

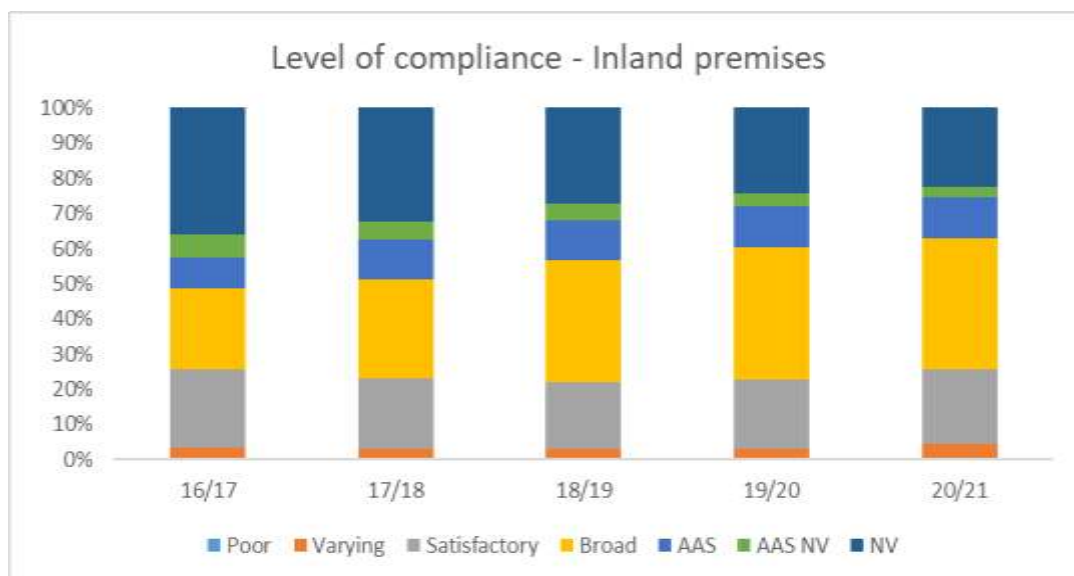


Figure 2⁴ – Compliance Trends 2016/17 to 2020/21

NTS has data to show that assured businesses are, in general, more compliant than non-assured.

3.3. Securing businesses compliance

Funding is provided to ensure regions can work to improve compliance in poor businesses identified through inspection or intelligence. 2019/20 was the second year regions had received this funding. Regions have increased use of this funding stream by a quarter and used 97% of the total funds made available. All regions claimed follow up funding.

The majority was spent on giving further advice to business who have been identified as non-complaint in previous inspections.

3.4 Feed programme management and improvement

The FSA commission a number of improvement projects each year as part of the NTS feed delivery programme. These projects aim to refine or improve the delivery system.

Project 1 - FSA Training

NTS supported the FSA to develop a national training programme. This was delivered to 142 officers from 82 local authorities across England. [All training material is available on the KHub.](#)

^{4 4} AAS – Approved Assurance Scheme member, AAS and NV – Approved Assurance Scheme member never visited, NV – never visited

Project 2 - Supplier of Surplus Food National Coordinated Inspection Priority Guidance and Model Form

The FSA national feed threat assessment identified a risk associated with co-producers and suppliers of surplus food for use in animal feed. The National Agriculture Panel (NAP) developed specific guidance to support inspections of surplus food suppliers. The guidance was published in April on the Khub.

FSA agreed in July 2019 that this work should form the basis of a national coordinated inspection priority in 20/21.

3.5 Technical policy support

NTS provides support to the National Agricultural Panel (NAP) and National Animal Feed at Ports Panel. (NAFPP). Both provide effective fora for discussing animal feed related issues and delivering practical guidance for local authorities. Both Panels meet twice a year.

The Panels give feedback and raise queries for policy advice with the FSA. They have ongoing engagement with the Veterinary Medicines Directorate, PHA, Defra and both FSA approved industry assurance schemes.

Over the past year, the Panels have provided feedback to the FSA on national enforcement priorities, Fixed Penalty Notices, potential for changes to custodial sentences for feed offences, changes to competency requirements and responded to the FSA public consultation on the Official Control Regulations.

The Panels have developed and published a range of guidance, including –

- [Guidance on the registration of feed businesses](#) to provide a consistent approach
- [Updated MoU with VMD and APHA](#) to include communication during a feed incident.
- [Guidance on how the term 'suspicion' applies to imported feed](#) with reference to case law.
- [Guidance for inland authorities on issues relating to imported feed](#).

At each Panel meeting there is the opportunity to discuss regions queries. The outcomes are shared in [specific technical queries guidance](#) on the Knowledge Hub.

Feed Delivery Data

Table 2 – Feed Delivery Performance data

All England	Committed activity for 2019/20	Delivery					Percentage delivered against (percentage target)				
		Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Total delivered 2019/20	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	2019/20 total (target = 100%)
Inland feed inspections	2914	339	656	720	1,015	2,730	12 (11)	23 (21)	25 (30)	35 (38)	94
Primary Production premises inspections	1064	162	188	273	476	1,099	15 (21)	18 (22)	26 (22)	45 (35)	103
High Risk Food	187	30	60	31	18	139	16 N/A	32 N/A	17 N/A	10 N/A	74
Inland samples taken*	162	26	35	14	52	127	16 (7)	22 (17)	9 (44)	32 (32)	78
Total ports activity (3rd country imports)	2494	592	638	619	543	2,392	24 (25)	26 (25)	25 (25)	22 (25)	96
Ports sampling and analysis	129	27	40	28	21	116	21 N/A	31 N/A	22 N/A	16 N/A	90
Overall delivery*	6950	1176	1,617	1,685	2,125	6,603	17 (15)	23 (21)	24 (26)	31 (38)	95
Overall delivery budget	£1,562,020	£238,332	£356,626	£370,211	£520,710	£1,485,879	15 (15)	23 (22)	24 (28)	33 (35)	
Improving compliance funding	£86,278	£4,299	£17,265	£16,141	£75,597	£113,301	5	20	19	88	
Projects funding (total)	£23,444	£20,000			£3,444	£23,444	85	-	-	15	
Total budget	£1,901,242					Total inc. RC fees					
Accrued budget (as of March 2020)**	£1,899,508					% of accrued budget	97.51%				

*excluding NSP pre-assessment activity

**inc. regional coordinator (RC) fees

Table 2 – Feed Delivery Data

Chapter 4 – Intelligence

4.1 Background

One of the key objectives for the NTS has been to develop intelligence led working. The foundation for this is the use of the Intelligence Operating Model: 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. This work is overseen by the Intelligence Governance Group.

There is also an NTS Intelligence Network that includes the NTS Intelligence Team, regional intelligence analysts and regional intelligence support officers. They met three times and there was also a two day conference on 25-26 June 2019 with National/Regional Tasking Groups and NTS Teams. This provided an opportunity to discuss regional and national tasking and intelligence work; aiming to share good practice and intelligence developments. 92% of attendees who provided feedback, said the conference met their expectations, they were satisfied with the event or found it excellent, and found it useful to have the tasking and intelligence sections meeting together.

4.2 National Strategic Assessment and Control Strategy

The NTS Control Strategy for 2019-20 was published in April 2019 and was based on the September 2018 Strategic Assessment.

The 2019 National Strategic Assessment was approved by the NTS Board at their September meeting. It identified key national threats, emerging issues and priority areas to inform the NTS National Control Strategy for 2020-21. The Board agreed the following priority areas: mass marketing scams; lettings; doorstep crime; energy related fraud; age restricted sale of knives; used cars; fair trading – other misleading practices; intellectual property; estate agency and animal feed. It was also agreed that eCrime and the use of social media as a selling platform and serious and organised crime would be cross cutting themes or enablers, as they impact across each priority area.

4.3 Action Fraud

For some time NTS has been having discussions with the City of London Police and National Fraud Intelligence Bureau regarding access to Action Fraud data in England and Wales. In August 2019, Lord Harris wrote to all Trading Standards Services in England and Wales, about the failure to reach agreement with the City of London Police regarding data sharing issues.

In October 2019, Lord Harris met the Assistant Commissioner, the Director of Information City of London Police, the Head of National Fraud Intelligence Bureau and the Chairman of the Police Authority Board to discuss the concerns around data sharing. Following this meeting the City of London Police produced an '8-point plan' but this could not be agreed as it had fundamental misunderstandings about the status and role of NTS and local authorities. NTS is unable to progress the access issues until or unless the City of London Police change their position.

Know Fraud checks are still being carried out by the National Fraud Intelligence Bureau and City of London Police. The NTS Intelligence Team secondeed continues to attend the Bureau but can only obtain minimal information.

4.3 Police National Database (PND)

There have been delays on the PND onboarding process as the Home Office have had to undertake an additional level of encryption for the IT connections. This has been more complex than anticipated. The City of London Police Director of Information (as Chair of the Police Information Assurance Group) had written to the National Police Chief's Council raising concerns about Trading Standards access to PND. The National Police Chief's Council then advised NTS that they would suspend Trading Standards onboarding to PND.

Two meetings were held in February 2020, to enable all parties to discuss concerns and solutions face to face. The discussions were constructive and resulted in a clear action plan to support the NTS PND on-boarding process. NTS wrote formally to the national Police Chiefs Council to secure written confirmation of the acceptance of the solutions agreed. No reply has yet been received due to Covid-19.

4.4 Organised Crime Group Mapping and National Flagging

Serious and organised crime continues to impact on every NTS Team and Trading Standards Service. The National Crime Agency leads on serious and organised

crime within the UK. Trading Standards Services continue to work with partner agencies and stakeholders to investigate, prosecute and disrupt serious and organised crime groups that are affecting consumers nationwide. Organised crime groups or OCGs are 'individuals, normally working with others, with the intent and capability to commit serious crime on a continuing basis, which includes elements of planning, control, coordination, structure, group decision-making'.

The NTS Intelligence Team map serious and OCGs and nationally flag nominals on behalf of Trading Standards Services and NTS Teams. All Trading Standards Services and regional groups can identify OCGs who commit serious crime and are having a significant impact on their work. They can also nationally flag any associated nominals. At 31 March 2020 there were 44 active OCGs mapped and 146 nominals flagged on the PND for Trading Standards Services in England and Wales and NTS Teams.

4.5 Intelligence Databases

During 2019-20, all seven Regional Groups and their Trading Standards Services, who were using Memex, decided to transfer their intelligence to the IDB database. NTS supported this with funds to cover the cost of deleting the Trading Standards Memex servers/data. IDB is now being used by all ten regional groups and Trading Standards Services in England and Wales. All Trading Standards Services have agreed that their intelligence on IDB can be migrated onto the PND. This will be done as part of the NTS PND onboarding process.

4.6 Crimson Tasking Activity Reports

NTS has developed new areas on the Crimson site for Tasking Activity Reports to be recorded and updated. This provides a secure central online database developed to save time recording information. It enables activity reports to be generated for Regional Tasking Groups and NTG, at the touch of a button, and for the Programme Office to use the information on the RIT's activities for their quarterly reports.

4.7 NTS Sanction Information Database (SiD)

The National Anti-Fraud Network (NAFN) operates the NTS 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. The database, is continually monitored and reported with upgrades from time to time to ensure it continues to meet user needs.

SiD Summary Data:	31/03/2019	31/03/2020	Variance
Active Users	2723	2678	-45
Sanctions added since 01/04/2014	5240	6190	+950
Actions against legal entities	16569	19423	+2854

Table 3 – SiD user data

4.8 NTS Intelligence Team

Tasking and National Tasking Group Support

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

- 55 referrals were received and four referral reviews completed.
- one problem profile, eight short reports and 10 subject profiles were produced.

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 Team continues to seek access to other data sources. They have an agreement that enables a member of staff to work at the National Fraud Intelligence Bureau. The associated data sharing agreement is still to be ratified by the City of London Police.
- The Team are assisting with PND access.
- The Team supported proactive intelligence collection during certain enforcement action. This has included assisting the CENTSA Regional Investigation Team and the NTS eCrime Team on days of enforcement action.

Regional Intelligence Network Support

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

- Engagement between the Team and regional intelligence network is ongoing.
- The Team has provided support to CEnTSA in the producing their regional tactical assessment.
- National tactical assessments, problem subject profiles and the report produced for the Scams Team are sent to the NTS Intelligence Network for dissemination to Trading Standards services in their regional groups (where appropriate).

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 including production of subject profiles.
- **NTS Scams Team:** The Team regularly liaises and provides ad hoc support, as required. They produce a monthly report and are in close liaison regarding and investigation into health supplement and vitamin scams.
- **NTS Estate & Letting Agency Team:** The Team provides intelligence support on an ad hoc basis, including Organised Crime Group Mapping and national flagging. They are involved in discussions regarding data sharing with two external organisations.
- **Consumer Protection Partnership Support:** The Team attends various Consumer Protection Partnership/Citizens Advice meetings including Brexit and Covid-19 Intelligence working sub groups.

Intelligence Data

Intelligence Data 2019-20	April– June 2019	July – Sept 2019	Oct – Dec 2019	Jan – Mar 2020	Total
Intel logs recorded on Memex and IDB	9571 (10789 - 2018)	9308 (10188 - 2018)	9397 (9623 - 2018)	8213 (10066 - 2019)	36488 (40666-18/19)
% change from last year	-11.28%	-8.6%	-2.3%	-18.4%	-10.27%
Intelligence Logs recorded against priority areas	63.44%	64.5%	72.9%	72.3%	68.17%
Doorstep Crime	2322	2276	1974	1654	8226
Fair trading	1277	1289	1331	1866	5763
Scams	747	643	684	610	2684
Intellectual property crime	645	592	1297	636	3170
eCrime	1081	1205	1572	1175	5033
Citizens Advice complaints	69788	77295	73239	80344	300,666
Fair Trading and Scams	49836	50006	49788	50086	199716
Doorstep Crime and Cold Calling	8528	9647	9049	8434	36658
Intellectual Property Crime	433	529	681	649	2292
eCrime – now part of fair trading and scams					
FIN-NET ⁵ referrals received	29	45	41	25	140
FIN-NET referrals submitted	5	4	2	0	11
GAIN ⁶ national referrals received	1	5	Nil	0	6
GAIN national referrals submitted	5	1	2	0	8
Organised Crime Groups (active)	25 1 NTSELAT, 5 eCrime, 6 RITs, 13 LAs	27 1 NTSELAT, 1 eCrime, 13 RITs, 12 LAs	35 1 NTSELAT, 3 eCrime, 13 RITs, 18 LAs	44 1 NTSELAT, 5 eCrime Team, 11 RITs, 27 LAs	
National Flagging	95 3 NTSELAT, 29 eCrime, 26 RITs, 37 LAs	117 3 NTSELAT, 29 eCrime, 43 RITs, 42 LAs	130 3 NTSELAT, 32 eCrime, 2 NTSIT, 42 RITs, 51 LAs	146 3 NTSEALT, 34 eCrime, 41 RITs, 2 NTSIT, 66 LAs	

Table 4 – Intelligence Data

⁵ Financial Crime Information Network

⁶ Government Agency Intelligence Network

Chapter 5 - National and Pro-Active Tasking

5.1 Overview

The National Tasking Group (NTG) is comprised of three NTS Board members and three regional representatives. Others participate in the group with non-voting status (e.g. GAIN, CMA, NTS eCrime coordinator, Trading Standards Scotland). NTG meets every eight weeks to task work subject to available resources and in line with agreed NTS priorities. The Group will mainly task referrals that relate to: complex cases; cross-boundary activities; multiple defendants; high levels of detriment and/or significant breaches of Trading Standards legislation or extensive fraud.

Separate Chapters have been provided on key priority areas of work (energy fraud, used cars and doorstep crime) which have been funded by NTG but where activities have taken place across a range of NTS Teams.

5.2 Analysis of NTG budget allocations to priority areas

An analysis was carried out to show how NTG budgets had been allocated to NTS priority areas over the last 5 years.

This includes actual spend from 2016/17 to 2019/20 and the allocations made to date for the 2020/21 budgets.

It illustrates that budgets are tasked to agree priority areas. It is recognised that areas are broad.

In addition, there is crossover between priorities. This is most pronounced in relation to energy scams, where in some of the cases there is a large element of doorstep crime.

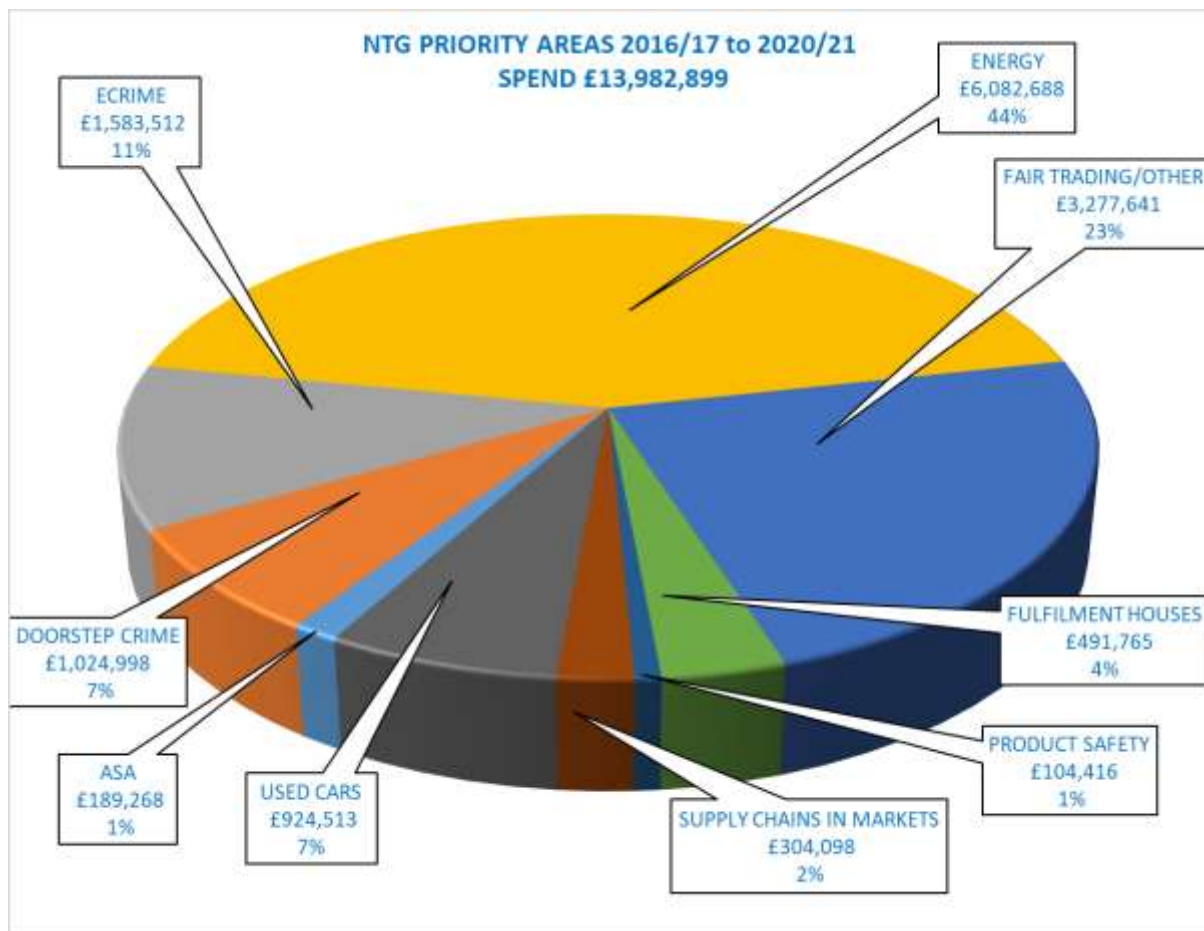


Figure 3 – NTG spend against priorities

5.3 NTG Meetings, Tasking and Funding

NTG met 6 times during 2019/20 and reviewed and considered 66 referral requests (including re-submitted deferred and fast track requests):

- 52 were agreed
- two were deferred (pending further information/clarification)
- five were not agreed
- seven were withdrawn

The budget for 2019/20 was £3,148,000, with actual funding requested totalling £3,690,677. NTG allocated £3,346,078. This included funding for a significant number of ongoing Regional Investigation Team legacy cases.

NTG progressed its programme of tasking and funding investigations/project work linked to NTS priority areas. It also tasked other project areas identified in the Control Strategy and delivered by the Programme Office and NTS Teams including Health Supplement Scams, IP, Call Centre Scams and Approved Traders. As well as the enforcement cases, NTG tasked the NTS Intelligence and eCrime Teams with other work including:

- **Operation Molby Scoping** (Non-delivery of goods)
- **Operation Fusetar** 2 x Subject Profiles (Planning permission for park homes)
- **Operation Semaphore Problem Profile** (Leasehold of new homes)
- **Approved Trader Schemes Short Report**
- **Claims Management and Marketing Agencies Short Report**
- **Operation Sparrowhawk Short Report** (Counterfeit goods/IP)
- **Operation Magpie Problem and Subject Profiles**
- **Operation Amisk** 1 x Subject and 1 x Business Profile (Health supplement scams)
- **Operation Belle Short Report and Subject Profiles** (eCrime/counterfeit goods)
- **Operation Warbler** 2 x Subject Profiles (Check and send service, Copycat Websites)
- **US Visa/Copycat Websites** 1 x Short Report
- **Operation Eastwood** 3 x Subject Profiles (DEFRA piece of work).
- **Operation Windle** 1 x Short Report (Double glazing)

5.4 Operation Amisk – Health Supplements

The NTS Scams Team gave evidence to the FSA National Food Crime Unit. Together they are attempting to identify UK-based offenders. A previously identified French health supplements company, thought to have withdrawn from mailing into the UK, was found to be still sending packages to victims, with an average cost of £60. The Team worked with a European mailing company and their contract was terminated in October. No further parcels are believed to have entered the UK. This company is now subject to a winding up investigation by French law enforcement. Savings = £300,000.

The NTS Scams Team assisted local Trading Standards in Lincolnshire, Cambridgeshire, Portsmouth, Cheshire, Hull and Aberdeen. Consequently, two health supplement contracts closed in November, after 427 victims lost on average £330. Total £140,910.

The NTS Scams Team also worked with a UK Bank to facilitate removal of a problem health company's banking facility in February 2020. The Team contacted the fulfilment provider, who have withdrawn from working with the company.

Operation Kerryblue: This case is being investigated by the NTS E Crime Team and case concerns misleading claims (i.e. "halts cognitive decline") and high-pressure sales of vitamins and other health supplements through a network of web sites. Further witness statements have been taken in this quarter along with a test purchased being carried out.

Additionally, a meeting of partner enforcement agencies took place in October to share intelligence and update each other on activities in relation to Vitamins & Health Supplements Scams. Partners include FSA, ASA, MHRA, and the Insolvency Service. Partners agreed to continue to share intelligence gathered via the NTS Intelligence Team and a short report will be to focus attention on the companies where the Insolvency Service could engage.

5.5 Assured Trader Schemes

The NTS Intelligence Team was tasked by NTG to do some research on approved trader schemes and review based schemes. This followed issues being raised by Regional Trading Standards Groups (in their intelligence products) and the NTS Strategic Assessment and NTS Control Strategy.

The NTS Intelligence Team produced an Approved Trader Short Report following a national intelligence requirement. This was circulated to all Trading Standards Services via their Regional Intelligence Functions. A summary of the key findings and recommendations was also circulated via an NTS Update in December 2019.

5.6 Fulfilment Houses

Fulfilment Houses remain a cross cutting priority area for NTS in relation to intellectual property, misdescribed goods and illicit trade. The Office for Product Safety and Standards (OPSS) now leads on all product safety issues and are undertaking a Fulfilment House Pilot and engaging with Regional Groups and Trading Standards Services,

NTG can only consider referrals relating to fulfilment houses if the primary focus of any activity is NOT product safety. NTG agreed to continue to support Operation Neutron (Wales Fulfilment House investigation) as a Legacy case for 2020/21 but no further proactive work will be undertaken on this priority area.

5.7 Unsafe Cosmetics

Two cases were completed, that had been part of the 2018/19 unsafe cosmetics project.

Operation Red: In August 2019, in a prosecution by Southwark Trading Standards, Holiness & Jonathan Ikpere each pleaded guilty to two charges of supplying

cosmetics with banned ingredients. In excess of £165,000 was received by the sellers for sales over two years. There was a total of £3000 and orders to pay £14,000 in costs. 2900 items were forfeited. The defendants received a 4 and 6 month suspended sentence and 60 hours unpaid work each.

5.8 Other Completed Cases

Operation Sweep Fake Leather-ware Scam (Powys)

The defendant Luca Ferrione pleaded guilty to an indictment covering the sale of fake leather jackets over two years. He received a 10 month prison sentence suspended for 18 months and a 10 year criminal behaviour order preventing him selling anything in the United Kingdom.

5.9 Case and Project Reviews

NTG carries out regular case/project reviews to assure both members and the NTS Board of progress and value for money. Nine reviews were conducted in 2019/20 and outcomes were reported to both NTG and the relevant RTGs. All were found to have been well-managed and recommended for continued support. Learning and best practice etc. identified during the reviews has been collated and has been shared with regional colleagues.

5.10 Review of Processes, Protocol and Best Practice

NTG commissioned a review of Regional Tasking Groups. The feedback and identified best practice from which were considered during the review of NTG processes and procedures. This resulted in:

- Developing and launching the new CRIMSON tasking activity and performance reporting system processes to reduce bureaucracy, duplication and generate efficiencies for NTG, RTGs and NTS Teams etc. It will also enable regional colleagues to view and link in to each-others' data.
- A training day for regional RIT Managers, Action Managers and RIAs was held on 9 March 2020.
- Updating and simplifying the NTG Protocol, referral process and forms and case/project review forms, launched at the end of December 2019.
- A series of further visits to all RTGs as a follow-up to the review.

Chapter 6 – Used Cars

6.1 Background

Used Cars is a key priority identified by NTS in its National Control Strategy. This Chapter covers all work done in this area. This Chapter covers all work done in this area across all NTS Teams and work funded by NTG. The 2019/20 used car priority tasking had a focus on: mileage adjusted cars (in particular imported vehicles), regional most complained about traders and sales of unsafe vehicles.

6.2 Investigations

NTG agreed to support used car investigations in local authorities, four of which focused on regional most complained about traders and one on the import and mileage adjustment of Japanese imported cars.

One NTG funded investigation into a regional most complained about traders concluded in August 2019. Three people were found guilty of fraudulent trading at Chester Crown Court, following an investigation by Warrington Trading Standards and received suspended jail sentences totalling 4 ½ years and over 500 hours community service.

Operation Malmesbury:

Result: 1 written warning: suspects being monitored

One RIT supported a cross region referral relating to the suspected sale of “clocked” cars, where 25 out of 70 checked cars appeared to have been clocked. Vehicles were sold via several eBay accounts and advertised within ‘classified ads’ as vehicles with typical mileages of 35-40,000 miles. Enquiries found the actual mileages were usually between 135,000 and 160,000 miles. The supply of vehicles took place in a particular road in Chelmsford, Essex. The suspected sellers had been prosecuted before for similar offences under Operation Augsburg in October 2018. Although the suspected offending was on-going, there was some duplication with the criminality prosecuted before. As such Essex Trading Standards gave the trader a written warning, advising they would monitor the ongoing situation and if complaints continue they will be prosecuted.

Operation Sarbi

Result: Defendant company fined £39,600 and prosecution costs £13,797

Financial value of complaints: £339,784

This case concerned complaints about vehicles sold by Motorsure Limited t/a Motorhub from Keighley, West Yorkshire between August 2017 and May 2018. Guilty pleas were entered for six breaches of the Consumer Protection of Unfair Trading Regulations 2008 at Leeds Magistrates Court. The complaints included:

- Selling vehicles with covered or disconnected dashboard warning lights to conceal faults with the vehicle
- Failing to disclose recorded mileages were incorrect
- Not declaring that a vehicle had been subject to accident damage
- Failing to disclose a vehicle had previously been used as a taxi

The District Judge imposed a fine of £39,600 and ordered prosecution costs of £13,797.

6.3 Disruption - Digital Car Clocking

This project aimed to disrupt providers of mileage adjustment services who were advertising widely online. It was carried out by CEnTSA. The NTS Intelligence Team reviewed the impact of the project. It was found that out of 54 websites identified:

- 40% of the identified businesses have ceased to advertise.
- Only 18% of the businesses continue not to have guidance/legal disclaimer.
- The appropriateness of the disclaimer and legal advice varies from site to site, for example 4 websites continue to use the word 'discrete' on the sites.
- The NTS eCrime Team took down the websites of seven providers who failed to disclose required addresses.

6.4 Disruption - Fake Service Books and Stamps

The NTS Intelligence Team produced a short report gathering intelligence on online sellers of fake branded service books and garage stamps, it identified a number of sellers nationally who are enabling fraud through selling cars with fake service histories. The report identified that the sale of fake stamps, books and service histories is widespread; but locally based. It identified local businesses across the country who are providing fake vehicle service stamps and books, and potentially enabling used car fraud.

Local authorities were supplied with the relevant intelligence to enable them to take local enforcement or disruption action if they were able to do so. Authorities committed to investigate 27 (42%) of the 64 sellers locally and take appropriate

action. This was using local resources, not separate funding from NTS as no further funds were available. The Programme Office will undertake work to determine the impact of this project in 2020.

As part of the NTS Intelligence Team research into sellers, a large number of buyers of fake stamps and books were identified. A number of regions have taken this information and undertaken further analysis to identify 'high risk' buyers of these items. For example, traders purchasing large volumes of service books fully stamped to provide fake service histories. NTG commissioned two projects in Wales and the East Midlands to work on this issue.

TSEM have completed two of the three parts of their project: Phase One considered all the buyers and identified 3 buyer risk categories, the highest risk being those making multiple purchases and established links to the motor trade.

The products purchased were grouped into 3 risk categories:

- High Risk – Service stamps that carry a specific protected brand or service books which are already pre-stamped.
- Medium Risk – Service stamps which indicate some form of approved status or service books which carry a specific manufacturers brand.
- Low Risk – Non-branded or non-approved stamps, blank non-branded service books and other service related items.

Phase 2 involved conducting further intelligence development of specific buyers identified in Phase 1 in two authorities (Leicestershire and Northamptonshire). This found that:

- 30% of buyers have made multiple purchases and 70% just single purchases.
- 24% of 'multiple' buyers are linked to used car dealers, more are linked to servicing and repairs providers.
- Majority of large scale buyers are buying fake blank branded service books.
- That only 21% of the identified buyers are 'known' on IDB.

Phase 3 will use this intelligence to prioritise activity with high risk buyers, this work will identify current intelligence gaps about the Modus operandi of buyers and to go on to undertake disruption and /or enforcement as appropriate. This was due to be completed in the last few weeks of March but had to be put on hold due to the restrictions related to Covid 19. This work will resume once COVID related workload had reduced and social distancing allows.

The TS Wales project has focused on buyers of stamps and 'completed' branded service books who have links to the motor trade. This intelligence analysis has identified 200 traders across seven local authority areas who warrant further

investigation. Only one authority was able to complete their work prior to the Covid 19 lockdown. The remaining ones will take place once the lockdown is lifted. The aim is to trace vehicles identified as having been sold with fake service history books to their buyers and investigate with a view to prosecution.

In 2020/21, there will be a report on outcomes from each project and a toolkit showing how each region approached the project to allow others to replicate their success.

6.5 Disruption - Most Complained About Traders

NTG commissioned a project in Trading Standards South West to undertake audits to identify unsafe/ unroadworthy cars at their regional most complained about used car traders. The region also undertook to gather information on the use of 'admin' fees in the sector.

TSSW identified the top 30 regional most complained about used car traders local Trading Standards undertook audits at 40 traders in total, including those paid for using NTS project funds. They found that:

- Half of traders were members of an assured trader scheme. E.g. RAC , AA or 'Buy with confidence'
- 31 (78%) used the Autotrader website as their main advertising mechanism.
- 60% of traders checked vehicles before they listed them for sale.
- Most had a nominated person to deal with complaints.
- 15% (6) of traders charged 'admin' fees.
- Half (3) of traders charging an admin fee had a Trading Standards scheme membership or a primary authority agreement.
- 30% (42) of vehicles examined were found to be unsafe or unroadworthy.
- Half of the traders selling unsafe cars were members of a trader approval scheme.

Officers were accompanied on the majority of visits by a vehicle examination expert from the Driver and Vehicle Standards Agency (DVSA). Of the 129 vehicles examined 42 (30%) were found to be unsafe or unroadworthy and all were dealt with by formal enforcement action such as prohibition notices. The therefore project **prevented £346,218 of consumer detriment** which equates to around £10 per £1 spent by NTS, but it also potentially saved lives.

TSSW Authorities welcomed the incentive of the NTS seed funding which underpinned the wider activity in the region. It has also given Trading Standards the

opportunity to develop good relationships with local DVSA officers which will be ongoing.

This project shows the use of NTS funds can drive additional work locally to tackle one of its priority issues.

6.6 Admin fees

Fifteen percent (six) of the garages in the TSSW project charged admin fees, and those charging knew that it was potentially a breach of consumer legislation. One garage told officers *“that everybody does it”*. Even when these traders were advised at the audit of the potential breach, all continued to add fees to advertised prices.

This is significant in terms of potential detriment. For example, in this project one small chain, with a turnover of 4000 cars per annum, gains £400,000 through these charges. It is likely this is replicated across the country, which would total many millions of pounds.

NTS will work with its used car group in 20/21 to consider further work to tackle this issue.

Chapter 7 – Energy Related Fraud

7.1 Background

Energy related fraud is a key priority identified by NTS in its National Control Strategy. This Chapter covers all work done in this area. This Chapter covers all work done in this area across all NTS Teams and work funded by NTG. Many of these cases have a large element of doorstep crime. However, to avoid duplicate reporting, if the doorstep crime relates to mis-selling of energy or energy related products, then it is reported in this chapter.

At the end of 2018/19, the NTS Intelligence Team produced a problem profile which described a burgeoning area of fraud. This falls roughly into three types; doorstep crime relating to installation and maintenance of products/systems, mis-selling of products/energy supply and large scale defrauding of government 'green' grants.

7.2 Energy Fraud Ongoing Investigations

NTS is supporting five large, energy related fraud cases via NTG funding. This is in addition to six RIT led investigations relating to energy. These are large and complex cases. This year 61% of the tasking budget was spent on energy related fraud cases.

7.3 Energy Fraud Completed Cases

Operation Comfort

Result: 3 custodial sentences (12 years), 1 suspended sentence (1 year) + 200 hours community service and 1 conditional discharge (1 year)

General criminal benefit as determined by the court (POCA): £1.6m

The Judge commended the Team in this advance fee energy fraud investigation. Corporate Energy Saving Solutions Ltd (CESS) made unsolicited calls to small businesses offering a free audit of energy bills. After auditing, the businesses were told they had been overcharged by £1000s, then received a request for £325 to process their refund claim. CACS received 60 complaints and an estimated 3,800 small businesses were targeted.

British Gas received 690 authorisation forms from CESS. Based on these alone the estimated detriment was between £224k - £1.25m, assuming British Gas has an 18% share of the market.

In August 2019, five defendants were found guilty and sentenced for conspiracy to commit fraud and fraudulent trading offences to a combined total of 12 years imprisonment, one suspended sentence, 200 hours community service and one conditional discharge. The main defendant, Steven Ricardo, 45, absconded before sentencing but was caught just before Christmas 2019 and given an additional three months.

7.4 Tasking

The problem profile included a 'new' source of data; complaint numbers from RECC and MCS. These are the two key energy sector CTSI approved consumer code bodies. Because of this new source of data, the problem profile identified a number of businesses which were not already on local authority intelligence but whose activity was felt to warrant further investigation. NTG has only been able to directly fund and task one of these investigations. Four companies identified in that profile as 'high risk' remain untasked due to lack of funding. We have alerted those authorities in whose area those companies are based, one is under local investigation but the others have not met local priorities.

The programme office has also been acting as a facilitator of information exchange between the OFGEM compliance team and the Trading Standards authorities who are the home for businesses which have been highlighted for investigation through OFGEM intelligence. This relates to concerns OFGEM have around tariff (green grant) fraud and energy supply mis-selling.

NTG was asked to fund a case – Op Indiana at the YAH RIT -initiated from OFGEM intelligence at its March 2020 meeting. This request was refused because of limited funding in the 20/21 budget. NTG have requested that the programme office seek discussions about acquiring additional ring-fenced funding from OFGEM or BEIS to support this specific case in the next year.

7.5 Energy fraud intelligence

The NTS Intelligence Team have worked to develop a data sharing agreement with OFGEM to facilitate sharing of intelligence more generally between our organisations and onwards to local Trading Standards.

The Programme Office are also working with Trustmark to facilitate further intelligence sharing in the energy and energy efficiency sector. This will be via their primary authority/brand protection relationship with Buckinghamshire and Surrey Trading Standards. Trustmark are the Government endorsed quality scheme that covers all energy efficiency and retrofit work a consumer chooses to have carried out in or around their home.

We have also been seeking further detailed information from authorities and NTS Teams who are already undertaking regional or national level investigations related to energy. This is via specific meetings with investigating teams and we held a first meeting of regional TS colleagues to consider how NTS or other regulators might disrupt fraud in this area in this year.

7.6 Other work

We intend to meet senior BEIS officials and Ministers once the current crisis is over to discuss how more investigations might be funded in this area or fraud.

Following ongoing representation of our concerns to BEIS energy officials, NTS has been invited to take part in a working group, with other consumer organisations. This is led by the BEIS RHI grant policy team to consider how consumers could be better protected and grants less accessible to fraud in future iterations of green grant schemes.

Chapter 8 – Supply Chains in Markets

8.1 Background

The supply of large scale counterfeit and illicit goods to markets is a key priority identified by NTS in its National Control Strategy. This Chapter covers all work done in this area across all NTS Teams and work funded by NTG.

8.2 Enforcement Operations

The enforcement phase of Operation Beorma has continued to identify OCGs which clearly demonstrates the criminal networks involved in counterfeiting. During the last year the CENTSA Regional Investigation Team along with the Anti-Counterfeiting Group, National Markets Group and the NTS Intelligence Team conducted warrants at addresses connected with a major nominal identified under phase 1 of Operation Beorma.

A significant quantity of electronic devices were seized together with incriminating paperwork and two commercial vans. These vans now link together two previously unconnected nominals. Both vans contained significant amounts of counterfeit products including clothing, footwear, perfumes and accessories.

The Team have assisted other Trading Standards services conduct enforcement action where a connection to Operation Beorma nominals has been identified. In November they assisted Bolton Trading Standards with enforcement exercise at a local mill. Intelligence indicated that the mill was being used to store and manufacture counterfeit fabric conditioner and perfumes. A significant amount of counterfeit product was seized. It became quite evident during this enquiry that the business that was operating from the mill were not only conducting an illicit business of their own, but also acting as facilitators for a number of OCG's, concerned in Trademark offences across the UK.

8.3 Planned Activity for 20/21

Manchester Trading Standards submitted a tasking request for intelligence support. This was approved by NTG and the NTS Intelligence Team are gathering intelligence to produce a new Problem Profile. NTS were invited to sit at Operation Magpie's Tasking Group meetings. All agencies present agreed to share intelligence to ensure the Problem Profile would be as comprehensive as possible.

As with other aspects of Operation Beorma the intention is to move forward in a collaborative approach with enforcement partners such as the Greater Manchester Police, PIPCU, Anti-Counterfeiting Group, National Markets Group and IPO. This will potentially ensure we have a significant impact on OCGs in this location who also have clear links to OCGs in the Midlands region.

Greater Manchester Police along with PIPCU are considering doing some enforcement work in the form of a disruption exercise around the transportation companies being investigated under Op Beorma. CENTSA RIT have also been liaising with Central Motorway Policing Group who are interested in doing an enforcement exercise on identified transport companies who are suspected of carrying large quantities of counterfeit products around the UK. This is linked to the overall objectives of Operation Beorma which is to identify the enablers involved in the supply chain of counterfeit products and either disable or disrupt their activities.

Chapter 9 – Doorstep Crime

9.1 Background

Doorstep Crime is a key priority identified by NTS in its National Control Strategy. This Chapter covers all work done in this area. This includes work carried out by the Programme Office, Regional Investigation Teams, the eCrime Team and other work funded by NTG. Many cases overlap with energy frauds. However, to avoid duplicate reporting, if the doorstep crime relates to misselling of energy or energy related products, then it is reported in the previous chapter. It is noted that several of the large scale energy fraud cases have a significant element of doorstep crime within them.

9.2 Doorstep Crime Working Group

The NTS Board established and supports a national NTS Doorstep Crime Working Group. An initial meeting was held in October 2019. The group includes experts from all Regional Trading Standards Groups, CTSI, Trading Standards Scotland and the NTS Teams. They discussed a wide range of prevention work, intelligence development and enforcement activities. Examples of good practice and lessons learnt were shared. An update was provided for the NTS Board in December and NTG agreed a project plan for work in 2020-21 in March. The second meeting was scheduled for 31 March 2020 but has been postponed because of Covid19.

9.3 Intelligence

Following a national intelligence requirement, the NTS Intelligence Team produced a short report on the doorstep crime work being done by Trading Standards services, regional groups and NTS Teams. NTG agreed that a Doorstep Crime Problem Profile would be produced in 2020-21.

The NTS Intelligence Team was tasked to do some intelligence development work on vehicles that have been used for Doorstep Crime. A short report was produced for NTG in January 2020 and will be disseminated to regional Trading Standards groups and Trading Standards services.

9.4 CCTV Trial

The NTS Scams Team have been working with a company called RISCO Security who have supplied a set of cloud based CCTV equipment that can be installed in doorstep crime victims' homes. Two trials have been conducted in doorstep victims' homes, each one lasting three months. The second and final trial concluded in January 2020. Over a six month period, zero rogue trader or doorstep crime incidents were reported. Additionally, the wellbeing of each participant was measured over the course of the six months with results demonstrating a positive increase in participants' wellbeing. NTS is keen to secure funding for a future project.

9.5 Completed Cases

Operation Thistle: This case related to a double glazing company was taken by West Yorkshire Trading Standards supported with NTG funding. Following a guilty plea, in April 2019, the company was fined £48,000 and the director was sentenced to 16 weeks imprisonment suspended for 2 years and disqualified as a director for 4 years. A costs order of £57,402 was made. Consumer detriment was £17,400 and this figure was paid in compensation to the victims. The company has gone into liquidation.

Operation Emerald: This was a case taken by North Yorkshire Trading Standards and supported with NTG funding. It related to a roofer who targeted elderly and vulnerable people. Patrick Christopher Dunne of Griff Park Travellers' Site, Nuneaton, Warwickshire, was sentenced to two years and nine months at York Crown Court in June 2019. After pleading guilty to 34 counts of fraud and consumer protection offences. Dunne was prosecuted in relation to 17 victims from North Yorkshire, East Riding, Hull, Warwickshire, Coventry and Staffordshire, with a total detriment of £50,090. Dunne also received a 5 year Criminal Behaviour Order and is the subject of a Proceeds of Crime Act action.

Operation Slick: This investigation related to a fraudulent tarmac repair business. It was led by Powys County Council Trading Standards and supported by the Wales RIT. Allan John Coutts used a lorry designed to resemble an 'official' vehicle, like the Highways Agency, and cold called, mainly elderly, residents living in secluded properties in remote areas. He was found guilty of breaches of the Fraud Act 2006 and the Proceeds of Crime Act 2002. He was sentenced to 5 years 6 months in prison. In January 2020 the judge said that Coutts had benefited by over £905,000 and ordered him to make a £150,000 hidden assets payment within 3 months or a face a further 2 years imprisonment in default. This will help compensate victims.

Operation Gibbon: The investigation concerned two businesses who operated as emergency plumbers and locksmith companies registered in Kirby Muxloe, Leicestershire. They target the elderly and vulnerable, doing unnecessary and poor quality work. Generally, the companies/defendants advertised themselves as providing 'local' services. Leicestershire County Council investigated with support from NTG funds. Criminal proceedings were taken for two offences of fraudulent trading. All eight defendants pleaded guilty on 14 February 2020 and were sentenced on 5 March 2020. Canfield received 40 Months immediate custodial sentence, Molloy received 27 Months immediate custodial sentence, and Stott 24 Months immediate custodial sentence. Rice, Jones, Morgan and Costello each received 15 months suspended for two years and 200 hours community service. Liam Cuffe died whilst awaiting sentence. Proceeds of Crime proceedings will follow and a legacy referral for 20/21 has been agreed by NTG.

Operation Korona: NTG provided £25,250 funding on a 'one-off basis' in 2018/19 for West Yorkshire Joint Services to support an investigation into a home security and home improvement scam. In March 2020 five defendants were sentenced to a total of almost 30 years for doorstep crime offences. The defendants were targeting elderly and vulnerable consumers and offering over-priced, substandard and often unnecessary home security and home improvement works. The total detriment is estimated to be around £100K. Three of the defendants were also disqualified as directors for a total of 27 years.

Rogue Fish Sellers

There are nine North-East Regional Investigation Team investigations and legal proceedings into rogue fish sellers operating across Great Britain. Convictions have been secured in two cases:

Operation Rowan: Peter Carroll, 51, operated a door-to-door fish selling business under various names. His strategy was to target elderly and vulnerable consumers. Many lived alone and had serious health conditions. His sales team applied intimidating sales techniques. The prosecution accepted a plea of guilty to one count covering all allegations of engaging in commercial practices which contravened the requirements of professional diligence. In April 2019, Carroll received a 1-year custodial sentence and a 7-year Criminal Behaviour Order preventing supply of any goods door-to-door unsolicited either by way of his own means or through others. Proceeds of Crime proceedings are now progressing. It is estimated that Carroll's business transactions led to a direct financial detriment of £35,000.

Operation Spruce: This investigation stemmed from another investigation into the fish selling fraternity committing doorstep crime. Adam Brown was found guilty of

consumer protection offences. He received a 20 weeks' custodial sentence for these offences and 16 weeks for offending on a separate matter relating to gaming machine theft. He has to carry out 180 hours unpaid work and was given a 5-year Criminal Behaviour Order preventing unsolicited doorstep sales of any goods, either as an individual or on behalf of others. Compensation was awarded to seven victims totalling £2,624.70 to be paid at £200 per month until resolved. There was no confiscation as Brown has no realisable assets

9.6 Ongoing Investigations

Operation Pinewood: In Anglesey, NTG provided £11,000 one off support for an investigation into a window repair company. The investigation is ongoing.

Four new RIT doorstep crime cases have commenced. In each case elderly and vulnerable people have been targeted:

- A property improvements company that cold calls, carries out a survey, then sells and installs unnecessary roof insulation that may be harmful to the roof.
- A suspect company who leaflet drops and, after responding to enquiries of minor works, attend the home and escalate work by “finding” further issues or problems. Often, the additional work is not required and/or is overpriced.
- An investigation into allegations of mis-selling, aggressive practices and breach of cancellation regulations connected to home insulation where the price is inflated. The offender, when confronted by the consumer, becomes threatening and intimidating.
- The trader typically starts a small job and then suggests other work is required and the cost escalates. On one occasion the trader quoted £170 to clean the driveway of a consumer in his 80s, then £50 to clean the gutters. On cleaning the gutters, the trader stated the roof timbers were rotten and charged a further £7,000 to carry out the repairs

Chapter 10 – Regional Investigations Work

10.1 Background

NTS commissions Investigations Teams from each region except London, East of England and the South East which is a combined Team. The Teams are the primary resource for NTS in tackling serious and complex cases. Where a case relates to a specific priority area, then the detail is reported in those specific chapters.

10.2 Overview

The Teams have achieved some good results this year. Several investigations came to trial with successful results.

The Teams began 19/20 with 97 open investigations and now have 89 live cases. Of these 57 are ongoing, 29 are at the stage of legal proceedings (awaiting a decision or at trial), Intelligence is being developed for one case and two are supported. The seven closed POCA cases resulted in ten confiscation orders.

The consumer and business detriment avoided through the Regional Investigations Teams' intervention this year is £17,643,249.

This year the Teams' successful efforts led to:

- 19 defendants being convicted
- 8 prison sentences: 19 years and 8 months
- 8 suspended sentences: 7 years and 8 months
- 6 community penalties with 44½ days (1070 hours) of community service
- 3 CRASBOs: 7 years, 5 years and 1 indefinite
- 1 conditional discharge: 1 year
- 2 traders received a written warning
- 3 company director bans amounted to 25 years
- 1 Rehabilitation Activity Requirement of 25 days
- 1 defendant accepted a confiscation and destruction order
- 1 electronic tag
- 1 curfew
- 4 fines: £204,700

The East Midlands Team received a Judge's commendation: "The conduct of the officers investigating, collating and presenting the evidence was thoroughly

professional. The hard work and dedication have given the public a good service. This was a great success and they are to be commended for the individual and collective performance" (Operation Comfort). Notwithstanding this, the main defendant absconded before sentencing, but was caught just before Christmas 2019 and received an extra three months' sentence (captured on the table).

Once reporting restrictions were lifted NTS was finally able to report on Operation Albacore. This case concerned customers being overcharged for unnecessary drain and plumbing work and eight defendants were found guilty of money laundering and fraud offences.

This year the Teams investigated: doorstep crime with rogue traders carrying out shoddy repairs/workmanship/tarmacking, and fish sellers charging exorbitant prices and mis-describing fish; a bogus holiday club business; a letting agency scam; IPTV frauds; IP and trade mark offences; aggressive selling of mobility products, orthopaedic beds and chairs; an advance fee energy fraud; call centre scams; and a copycat website offering driving licence services. In many instances the victims were elderly and/or vulnerable. One defendant continued trading whilst on bail and extra offences were added to the list against him.

Some investigations did not reach trial for various reasons. On one occasion, HMRC took over a case to pursue a suspect's tax evasion and then decided not to take any action. This delay hindered the RIT's investigation and the case could not proceed. In another case, the defendant's mental capacity meant no prosecution was taken, however, the Team's intervention disrupted the supply chain of counterfeit goods and led to several PayPal and eBay accounts being closed. In some instances disruption reduced or stopped the criminality; once suspects realised they were being investigated they ceased trading or their criminal activity. One investigation was reviewed by RTG, then discontinued as resources needed to be used elsewhere. The suspect continued to trade and was targeted by a "hostile" Facebook Group of unhappy customers.

One important criminal case (Operation Starlight) was closed because NTG was unable to fund it due to its budget being already allocated to legacy cases. The Judge, lifting the Restraint Order to return restrained assets to the suspects, asked that the police/CPS look at this case again. Following further liaison with the Police, the CPS is now pursuing the case with RIT investigative support.

The Teams worked in partnership with other agencies, such as the Police, the Information Commissioner's Office and the Federation Against Copyright Theft. In one investigation, a company went into voluntary liquidation and the ICO disqualified both directors for 6 years and struck a new company off the Companies House Register. In a counterfeit goods case, Russian or Eastern European suspects used

multiple identities and laundered large amounts of money through the UK, Russia and China. The suspects have fled but police are attempting to confiscate some money held in a high street bank. Also, FACT supported several of the teams' investigations into IPTV and related illegal streaming activities.

Apart from investigations, the Teams assisted with a day of action against suspects conducting medical examinations and providing fake fitness to drive certificates that affected the haulage industry. They also supported an investigation into an emergency services call centre that supplied and tasked emergency callout tradesmen who provided unsatisfactory or no service and then over charged, generating hundreds of complaints annually.

One problem encountered by the RIT this year was the intimidation of witnesses during investigation and trial. In one case, both Prosecution and Defence Counsels were subjected to intimidatory remarks. Procedures were implemented with the local authority and the police to protect staff and the public; then shared as good practice with the teams.

The work of the Teams was frequently featured on television and radio.

Local authorities cannot access the Digital Courts System and this affects the cases the Teams take to trial. They still cannot provide electronic case bundles to courts or the defence. Providing paper court bundles is inefficient and unnecessarily costly and not welcomed by Judges who want information presented in the simplest way. Experience suggests that cases not presented electronically are not well received and could be regarded as out of date or poorly prepared and managed. NTS has written to HM Court Service, outlining our serious concerns, but they have advised that there is no set time for the rollout of the system to local authorities.

10.3 Major Case Review

In 2018 the National Trading Standards Board commissioned a review of some of the major investigations undertaken by its Regional Investigation Teams over the last few years. The aim was to harness and use the important lessons that have been learned from those investigations. The review contained many recommendations which the NTS Board agreed should be used as a basis for a live framework document which would assist in future major investigations.

A working group was established to deliver the above-mentioned framework. In doing so the group sought to establish how the teams currently handle the issues raised in the report and to identify any examples of best practice which could be

shared. A common theme that emerged from discussions was the lack of a standardised method for sharing best practice.

Early in 2020 the working group published its report 'Major Investigations – An Officers Guide'. The key focus of the document is to ensure the sharing of knowledge and good practice to help the teams do their jobs as effectively as possible. It is hoped that this document will therefore form the basis for future development and sharing of best practice from which will grow a comprehensive guide that will also be of wider use to local Trading Standards Services undertaking major investigations.

10.4 Completed Cases

Below are examples of cases completed this year.

Operation Albacore

Result: 8 Defendants found guilty of money laundering and fraud offences. 1

Defendant pleaded guilty to conspiracy to defraud

Penalty: 8 suspended sentences and 1 imprisonment; over 50 days' unpaid work

Compensation: 177 victims of fraud have been fully compensated. 9 defendants have paid or been ordered to pay over £350,000 compensation

Detriment: Financial value of 850 complaints £11,182,467

Reporting restrictions meant the details of this successful prosecution could not be disclosed until this year. The sentencing figures were included in the Quarter 3 2018-19 report. The Team supported Southampton City Council's Trading Standards' four year investigation and five month trial into a national emergency plumbing service.

The main defendant, Joseph Ashford paid over £1.8m for advertising in phone directories across the south and southwest offering emergency 24 hour drain and plumbing repairs. Customers were charged up to £350 per hour plus VAT to carryout work which experts said was either not needed, was done so badly it made things worse or was totally ineffective. They were misled about how bills were calculated, and money taken from their accounts without permission.

Evidence of 177 victims paying £200 to over £18,000 for plumbing and drainage work was given. One customer was charged over £18,000 to repair a blocked toilet which experts said could have been done for less than £1000.

Ashford paid himself £1.5m in 3½ years, spending the money on high performance cars, expensive hotels, jewellery, a race horse and property. Dean received £650,000 including a bonus payment of £800 a month. A Forensic Accountant's report identified that this was all paid for by customers of the two drainage companies. The two companies, 1st Active Drainage Ltd and then its replacement company Fast Response Maintenance Ltd, earned over £11m from 2010 to October 2013.

At trial, the following defendants were found guilty and sentenced:

- Joseph Rodney Ashford. Guilty of money laundering £1,513,467. Sentence: 15 months' imprisonment suspended for two years; 200 hours of unpaid work. £184,221 compensation.
- James Francis Dean. Guilty of money laundering £649,821. Sentence: 12 months' imprisonment suspended for two years; 180 hours of unpaid work. £80,000 paid in compensation.
- Mark Grundy. Four counts of fraud, 9 months' imprisonment suspended for two years concurrent; 150 hours of unpaid work.
- Ryan Sivyour. Five counts of fraud 15 months' imprisonment suspended for two years concurrent; 220 hours of unpaid work.
- Andrew Ashton. Five counts of fraud - 18 months' imprisonment suspended for two years concurrent; 220 hours of unpaid work. In March 2019 Ashton was sentenced to 9 months' imprisonment following a separate conviction and breach of the suspended sentence order.
- Oliver Quinn. Two counts of fraud - 6 months' imprisonment suspended for two years concurrent; 100 hours of unpaid work.
- Jordan Easterbrook. One count of fraud - Community Order for 12 months with unpaid work of 40 hours.
- Craig Watton. Two counts of fraud - 6 months' imprisonment suspended for two years concurrent; 100 hours of unpaid work.
- Justin Brian Perry pleaded guilty to conspiracy to defraud. Sentence: 30 months' immediate imprisonment and paid £66,000 in compensation.

Between them the nine Defendants have paid or have been ordered to pay compensation totalling over £350,000. This figure will increase as subsequent compensation payments are scheduled to be paid up until July 2020.

Operation Spire – plumber/rogue trader

Result: 1 suspended prison sentence (20 months); company director disqualification (8 years); an electronic tag and curfew (3 months); and community penalty (160 hours)

Financial value of the fraud: £27,000

Since December 2016 there were complaints about a plumber from householders in Swindon and four neighbouring local authorities. He took deposits for work that he would start and either walked off site half way through or was asked to leave by the householder due to shoddy workmanship. Householders were then unable to contact him for refunds and spent up to £7,000 to correct the work. The trader used various aliases and false addresses to hide his identity.

Brad Fairman appeared at Bristol Crown Court on 13th February 2020 and pleaded guilty to two counts of fraudulent trading. He was sentenced to 20 months' imprisonment suspended for two years and disqualified from being a director of a company for 8 years. He must complete 160 hours unpaid work and wear an electronic tag for 3 months with curfew.

Operation Electron

Result: 1 prison sentence (16 months)

Criminal benefit: £72,955.27 with available assets of £10,188.04

Financial value: a potential loss of up to £1.5 million in lost subscription revenue for the TV channel providers

The defendant bought and reprogrammed set top boxes and Amazon Firesticks to illegally access paid for TV content such as Sky and BT Sport. He sold 744 units in 18 months and had over £80,000 in sales. His activities presented a potential loss of up to £1.5 million in lost subscription revenue for the TV channel providers.

In 2019, Carl Bertram Ruddock had pleaded guilty to five offences and was sentenced to a total of 16 months' imprisonment. At the POCA hearing in November, the Court was satisfied that the criminal benefit was £72,955.27 and the available assets were £10,188.04. Ruddock was given 6 months to pay with 6 months in prison as a penalty for non-payment.

Operation Abigail – Letting agency fraud

Result: 1 prison sentence (2 years)

Financial value of complaints: £230,000

Financial value of unpaid Ombudsman awards: £17,000

The director of a lettings and property management agency who defrauded over £230,000 from his landlords and tenants' clients received a 2-year prison sentence, following a hearing at Southampton Crown court in December 2019. Complaints covered the Midlands, south and south-east. Southampton is home to two universities with a large transient population and many foreign students fall victim to property letting scams and fraud.

The defendant traded under various names and persistently failed to protect deposits, frequently issued false certificates to fictional deposit schemes; was removed from membership of ombudsman schemes for failing to comply with adjudications; made false representation to both landlords and tenants as to payment of rent and deposits; and withheld payments due to them.

In September 2019, Andrew Spencer Whitehead pleaded guilty to eight charges of fraudulent trading, using a false instrument, forgery (a bank statement) and money laundering following an extensive investigation by Southampton City Council's Trading Standards Service assisted by the RIT.

Operation Anson

Result: 1 suspended prison sentence (23 months), fine £100, community penalty 150 hours and compensation £79,000

Financial value of complaints: £130,000

The Team supported LB Brent & Harrow's investigation into 42 complaints about two kitchen installation businesses. Adahm Sheikh, of Luton, promoted his services from stands set up within Tesco supermarket foyers. Once payment was made, he failed to deliver.

In July 2019, at Harrow Crown Court, he pleaded guilty to one count of fraudulent trading operated under the business names, "Amazing Kitchens" and "Home Improvement World". He had generated more than £130,000 in sales.

He received a 23 months prison sentence, suspended for 2 years, and a 150 hours community service order. He also had to pay costs of £59,354. Since the legal proceedings started, Mr Sheikh has taken steps to refund £79,000 to customers.

Operation York – IPTV fraudster sentenced

Result: a 21 months' custodial sentence suspended for 18 months and 180 hours community service

General criminal benefit as determined by the court (POCA) £60,000.

This investigation concerned a trader advertising and supplying IPTV boxes giving access to subscription only content (such as Sky Sports and Sky Movies) without paying the subscriptions. Access to view Premier League matches that start at 3pm were advertised. These can only be accessed illegally in the UK. The defendant had set up a PayPal account in false names using false documents. The defendant claimed he made £61,000 whereas Sky's loss is estimated at around £100,000. Documentation showed he had been involved in this fraud since 2012 and had an intention to grow the business. Moore received a 21-month sentence, suspended for 18 months, and 118 hours unpaid work for fraud and money laundering offences.

Operation Summer – call centres

Result: No prosecution but criminality disrupted and stopped and complaints ceased

This intelligence gathering operation sought to discover businesses in the Bournemouth area generating a high level of complaints. The intention had been to carry out inspections of those businesses, provide appropriate trader guidance and submit intelligence with a view to prosecution should complaints continue. Intelligence then identified another investigation looking at the same traders and some businesses were part of a prosecution.

The Teams agreed to tackle those businesses not part of the other investigation. Those businesses were inspected, advice provided and intelligence submitted in July 2019. The businesses were monitored and as no further complaints have been received since that intervention the operation was closed.

Operation Irony – warranty/service plan scam

Result: No prosecution but criminality disrupted and stopped and companies ceased trading

The RIT supported Brighton & Hove Trading Standards in an investigation into companies involved in suspected domestic appliance warranty/service plan scams. There were circa 90 complaints between suspect traders operating from three known addresses, although there was no clear intelligence to show a connection between the companies or nominals other than the modus operandi. The Team provided support with warrants execution, complaint evidence collection, financial information and data reviews. The NTS eCrime Team provided forensics support. The investigation led to disruption of the suspect companies who ceased trading. It is understood that the service provider will pursue a civil action and have indicated they will apply for a Norwich Pharmacal Order⁷. In light of this no further RIT support is required.

Operation Willow – electrician turned builder/rogue trader

Result: 1 prison sentence (17 months) and 1 company director ban

This investigation concerned an electrician/builder with no skills or previous experience, other than a deluded belief in his own ability. The defendant moved from being a professional electrician into managing teams of workers appointed by him to carry out major building works to customers' properties, such as house extensions and full property renovations. He provided estimates/quotes for building works he and his team never actually completed. With an average cost of around £30,000 the defendant ruined customers' lives by taking monies up front of agreed

⁷ Norwich Pharmacal Order enables the court to require a respondent/third party who is "mixed up" in wrongdoing to provide "full information".

timescales and eventually leaving all 14 witnesses with incomplete works, whilst at the same time sending thousands of pounds to Thailand to build a house for him and his wife.

Eventually, Neil Trotter t/a Neil (NE) Limited based in Shildon, County Durham, pleaded on 14 CPRs offences: one per complainant. The defendant's medical/personal circumstances, and early guilty plea were taken into account and his sentence was as reduced to 8 months for all aggressive charges with 6 months for three misleading and 3 months for professional diligence, all to be concurrent. Trotter was disqualified as a company director for 7 years. There were no costs or POCA confiscation awarded, as there are no assets in the UK.

Operation Klewang – persistent counterfeit seller

Result: 1 suspended prison sentence (5 months); 25 days Rehabilitation Activity Requirement; a forfeiture order; £50 costs and a victim surcharge of £115

The RIT took this case after the trader, who had previously been prosecuted by Middlesbrough Trading Standards in 2012, continued to trade via Facebook (obtaining counterfeit clothing and shoes from Cheetham Hill, Manchester), despite receiving a number of cease and desist letters. The trader also continued to sell counterfeit goods whilst awaiting a decision on prosecution.

In January 2020, Robert James Benson, from Middlesbrough, pleaded guilty to offences under the Trade Marks Act 1994. He also pleaded guilty to fireworks licence offending under the Health and Safety at Work Act 1974 and Explosives Regulations 2014 following a Trading Standards warrant found a large quantity of fireworks in his home on the same day that Cleveland Police stopped his van and found a further large quantity of fireworks.

On 25th February 2020 he was sentenced to 20 weeks imprisonment suspended for 2 years. He was also directed to complete 25 Rehabilitation Activity Requirement days, pay £500 costs and a victim surcharge of £115. In addition, the seized goods were forfeited for destruction. There was no POCA as no were assets identified.

Operation Goldy – mail scam

Result: Fine £150,000 and victim surcharge of £170 and prosecution costs of £10,763.84

Between January and June 2018 Kingstown Associates Limited sent out two promotional mailings: '*Healthy Living Direct*' and '*All the Very Best*', directed at older consumers, claiming falsely that recipients were guaranteed a share of tens of thousands of pounds. Having made a purchase they discovered the cash prize had very little (if any) value.

The company was fined £150,000 at York Magistrates' Court after being found guilty of 'banned practices' under the Consumer Protection from Unfair Trading Regulations 2008. The company was also ordered to pay a victim surcharge of £170 and prosecution costs of £10,763.84.

Operation Vanguard – aggressive selling of mobility products

Result: 1 prison sentence (32 months), 1 indefinite CRASBO, 1 company director ban (10 years), 1 company fine (£15,000)

Financial value of complaints: £82,000

This previously reported case concerned a known family and linked trading entities that used aggressive pressure selling techniques to persuade elderly and vulnerable customers to buy mobility aids and enter into contracts that averaged £4,000.

In October 2019 David Waters, 71, of Felixstowe, and his company, Anchor Mobility Limited, were found guilty on 31 separate offences, including fraudulent trading under the Companies Act 2006 and engaging in unfair commercial practices, misleading consumers by taking large deposits with the promise of delivering goods without doing so and failing to refund consumers. Waters received 32 months' custodial sentence and was banned from being a company director for 10 years and given an indefinite Criminal Behaviour Order. Anchor Mobility Ltd was fined a total of £15,000 for 15 counts of unfair commercial practice.

10.5 Proceeds of Crime Actions

Operation Cassock

This trial was concluded in 2018-19. It related to the sale of illegal IPTV streaming services. At Richards' POCA hearing in July 2019 a benefit figure of £462,463.50 was agreed but only £2,500 was available (through the sale of his car).

At Dodds' POCA judgement in February, following a five-week disputed hearing, benefit was agreed at £995,000. The Judgment determined an available amount as £521,692.78. This comprised of a Villa in Northern Cyprus, other property, vehicles and £292,208.00 of "hidden cash". He has three months to pay but is likely to be given additional time due to the property market etc., with a default imprisonment of five years if payment is not made.

Operation Swordfish

In 2018/19. Two defendants were found guilty of operating a bogus holiday club. The benefits/facilities claimed were misleading. Membership only gave access to a website and the ability to book accommodation. The average loss of 400 victims was

£2050 each. Following conviction and sentence Madden was issued with a confiscation order for £20,000 of which £10,534 is to be paid as compensation.

Operation Field - POCA

This computer repair scam was reported in 2017-18, when Amir and Yasser Rashid received custodial sentences of 3 years and 18 months, respectively, for conspiracy to commit fraud. At the POCA hearing the defendants were ordered to pay a total of £100,000, comprising: compensation to victims - £10,000; costs - £20,000; confiscation - £70,000. All payments have been made.

Operation Waddle - POCA

This case was reported in 2018/19. It concerned a couple who pleaded guilty to 13 offences relating to intellectual property offences. A POCA hearing took place in April 2019. The available amount for Kelvin Smith was £18,907.57 and for Julie Smith it was £18,907.57. A confiscation order was made in respect of each. Both orders have been paid and the POCA case is closed.

Operation Funder - POCA

Thomas and Linda Scoffin ran Excel Servicing Limited. Staff used pressure-sales tactics to persuade customers to buy Kirby cleaners. In 2017 they were found guilty of conspiracy to defraud and sentenced to a total of ten years in prison. Confiscation proceedings concluded in April 2019. Thomas Scoffin was ordered to repay £78,190 and Linda Scoffin ordered to repay £294,138 and prosecution costs of £20,000. Victims who provided evidence in the original trial received were awarded compensation of £14,139.78. The Scoffins were given 3 months to pay or face default prison sentences of 12 months and 3 years, respectively.

Regional Investigations Team Data

General Outcomes	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Total
Operations commenced	9	7	6	4	26
Operations concluded	6	14	6	10	36
Live Operations	96	93	99	89	-
Operations concluded where Teams assisted another Agency	1	6	5	4	16
Successful prosecutions	2	4	4	4	14
Victims	5,033	5,724	1,078	24,681	36,516
Consumer and business detriment avoided ⁸	£519,648.14 ⁹	£3,989,782.37	£9,322,188.42	£3,811,630.00	£17,643,248.93
No. of defendants convicted (imprisonment, suspended sentence, fines, community penalties)	2	8	5	4	19
Total fines imposed	£39,600.00	100.00	£15,000.00	£150,000.00	£204,700.00
Total custodial sentences imposed	1 (1yr)	3 (12 yrs 3m ¹⁰)	3 (6 yrs)	1 (17 m)	8
Total suspended sentences imposed	0	4 (61 m)	1 (6 m)	2 (9 m)	7
Community service penalties	0	4 (710 hrs)	1 (200 hrs)	1 (160 hrs)	6
Other penalties: CRASBO Conditional Discharge Written Warning Company Director ban Rehabilitation Order Seize & Destroy Forfeiture Order Electronic tag Curfew count	1 (7yrs)	1 (5 years) 1 (12 m)	1 (indefinite) 1 1 (10 years)	1 2 (8+7 years) 1 (25 days) 1 1 1 (3 m)	13
Compensation awards to victims	£24,140.00	£97,202.00	£21,993.61	£150,000.00	£293,335.00
POCA Confiscation awards	£510,143.00	£27,667.70	£32,181.65	£674,193.00	£1,244,185.35
Court costs awarded	£57,547.00	£59,354.00 ¹¹	£750.00	£10,763.00	£128,414.00
Enterprise Act Undertakings/Orders	0	0	0	0	0

Table 5 - National Trading Standards Investigations Teams' Management Data

8 see Annex for detriment calculation 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

9 includes additional detriment determined by court at POCA hearing and adjusted to avoid double counting of detriment determined at trial and previously advised

10 3 months additional sentence added later to absconded defendant's sentence

11 Amended due to error

Chapter 11 - eCrime

11.1 Background

The Board commissions the NTS eCrime Team (Digital Evidence Unit and associated investigations) via the Yorkshire and Humber Trading Standards Group.

11.2 Overview

The Team currently has 12 live investigations: eight are ongoing investigations and four are at the legal proceedings stage. In total, seven cases were completed this year including the Operation Dougal POCA case, the large copycat website case, where confiscation awards of over £6 million were made against the seven defendants, with default sentences amounting to 26 years applying if the confiscation awards are not met.

Operation Eiffel, one of the secondary ticketing cases reached trial with the defendants being found guilty and imprisoned. This case especially generated a lot of media interest. A POCA timetable has now been set. Operations Zebedee and Treacle are still scheduled for trials in October 2020 and January 2021 respectively.

During the year, the Team used disruptive tactics to take down web sites and remove online content and is developing ways to tackle traders operating off-line. Following engagement with a range of industry and third-party partners the Team has refined the web site takedown and suspension process to allow the submission and processing of requests from third parties where the potential offences are relevant.

The Team's expertise is clearly recognised by other agencies. Both the National Fraud Intelligence Bureau and the Metropolitan Police have referred cases to the Team: an on-line computer servicing fraud network controlled from India and a recruitment agency scam, respectively.

Operation Jasper was reviewed and formally joined with a broader strategy delivered by the Illicit Trade Group for England and Wales. This allows greater resource and reach to tackle wholesalers and distributors higher up the international supply chain. The Team feeds into Operation Aphrodite, a Europol-led operation based on the Operation Jasper model, and co-ordinates work to tackle the supply of counterfeit and other illicit goods on social media platforms.

The 'Real Deal' Online was launched last summer at the CTSI Symposium with a national roll-out of the toolkit and other materials. Within two weeks, 60 local authorities signed up to take part.

The consumer and business detriment avoided by the eCrime Team's intervention was £4,024,712.

11.3 Maintaining local capability

Work on preparing a 'Digital Disclosure' guide commenced towards the end of the year. The intention is to use 'lessons learned' from previous cases with large volumes of digital evidence that can then be used by officers managing similar cases.

The Intermediate Internet Investigations e-learning modules were launched with a prerequisite that officers have completed the Basic Internet Investigations. The social media training should be available very shortly after some delays earlier in the project.

The Team and CTSI jointly delivered a seminar and workshop on the subject of "*Tackling criminality on online intermediaries*". This brought together regulatory and enforcement stakeholders. The event covered the current landscape, relevant legislation, good practice and areas for improvement and a round-table workshop to identify opportunities for improving the enforcement response and better protecting UK consumers. There was universal agreement that a smaller working group should meet to decide a common set of aims and to develop an enforcer's toolkit. Work is scheduled to start in summer 2020.

11.4 Secondary Ticketing

It was agreed that NTS should test the secondary ticketing provisions of the Consumer Rights Act. Following appeals heard at the end of 2018/19, the Judge ruled in favour of the Appellants in that the 'notices of intent' were served out of time. This was an issue in these specific cases due to the parallel investigations being undertaken by the CMA which caused some complexities. Of more concern was the linked ruling that when determining a level of fine, the local authority cannot take into account the history or volume of ticket sales. A detailed note has been circulated to all Trading Standards services and the implications of this ruling were discussed with BEIS.

Operation Eiffel - secondary ticket reselling

Result: 2 defendants imprisoned (78 months)

Financial value of the fraud: £3.5 million

After a trial lasting four months at Leeds Crown Court a jury found Peter Hunter and David Smith guilty of three counts of fraudulently trading under S993 of the Companies Act 2006 and one count of possession or control of an article for use in fraud contrary to the Fraud Act 2006.

The defendants ran BZZ Limited through which they purchased and resold hundreds of tickets at inflated prices on secondary ticket reselling websites for events and concerts such as Ed Sheeran, Harry Potter and the Cursed Child (the play), Madness and many other mainstream acts.

The offences were committed between May 2010 and December 2017 and the pair made a net profit of £3.5 million in the last two years of the fraud. To evade the secondary ticket reselling website systems, the defendants:

- Acquired, created and maintained a network of identities used to commit the fraud.
- Used a number of different people to buy tickets, causing a significant number of other persons to become involved in the fraudulent behaviour.
- Acquired specialist software including bots; Insomniac Browser; Omni Checker and Roboform to facilitate the greater efficiency of fraudulent behaviour.
- Studied the systems of primary sellers to overcome measures intended to prevent the fraudulent behaviour (for example taking steps to circumvent captchas or the detection of IP addresses).
- Lied to maintain the false impression created by the use of multiple names and identities to purchase tickets (for example: pretending to be individual cardholders / consumers when contacting primary sellers).

The pair also engaged in fraudulent trading by listing tickets for sale on secondary ticketing websites that they had not purchased and did not own.

Peter Hunter was imprisoned for four years and David Smith for 30 months.

Operations Treacle and Zebedee are ongoing. They are parallel investigations concerning a number of people and companies connected with the large-scale acquisition and supply of tickets for major sporting, music and cultural events. Both cases are still scheduled for trials in October 2020 and January 2021 respectively.

11.5 Ongoing Investigations

Operation Koukla

A new operation concerning the suspected activities of companies involved with the management of car insurance claims. Consumers are misled into believing they are dealing their own insurance company when it is really a third party claims management company. They are further misled, allegedly, into signing up to expensive 'courtesy car' hire contracts, vehicle recovery charges and legal fees.

Operation Plug

A mobile phone unlocking web site investigation. After an initial fee the trader makes allegedly misleading claims to gain further fees to provide a valid 'unlock' code to the consumer. The case was originally identified as part of the Team's work in relation to online review platforms. A preliminary hearing is scheduled for spring 2020.

Operation Lottie

A Metropolitan Police Falcon Unit referral into a suspected online fraud relating to non-existent jobs. The investigation is complete and awaiting charging decision.

Operation Bella

Google Ads for 'local' plumbing businesses attract consumers, who are then subjected to significant additional charges as the 'contracted' plumber is not local. The work is also poor and/or unnecessary. Guilty pleas have been entered and sentencing is scheduled for summer 2020.

Operation Bess

Misleading Google Ads direct consumers on to web sites that list numbers they believe to be the official technical support helplines for Microsoft, McAfee, and Epson etc. Consumers are duped into signing expensive (and unnecessary) 'lifetime support contracts'. Although the call centres are operated from overseas, payments are made via a series of UK limited companies. The preparation of the final report is now underway.

Operation Gilbert

An alleged fraud connected with several model agencies and photography studios. Charging advice has been received. During this quarter an agreement was reached with the International Crime Coordination Centre regarding applications for European Arrest Warrants.

Operation Kayo

This case is about alleged copycat web sites concerned with travel related charges such as the Dartford Crossing, London's Ultra Low Emission Zone and the Mersey Tunnel. Charging advice will be sought in spring 2020.

11.6 Completed cases

Operation Lily

Outcome: 2 prison sentences

Financial value of complaints: £330,000

This concerned three individuals connected with a series of web sites offering electrical goods for sale (TVs, digital cameras etc.). Customers complained that goods ordered from the Electrohut website (operated by Electroponents Limited) were never delivered or that goods received were different to the order. Over a few months the site took £330,000 in orders from almost 1,000 consumers.

Following a trial, Saleem Arif, a director of Electroponents Limited, was sentenced to 4 years and 6 months imprisonment for fraudulent trading and money laundering. Kewal Banga pleaded guilty before trial to money laundering the proceeds from the illegal trading activities. He was sentenced to 2 years 11 months imprisonment. Both were banned from being a director for 8 years. A third defendant was acquitted at the trial.

Operation Sheba – Property Letting Agency money laundering

Result: 3 guilty pleas, 3 suspended sentences and 3 x 120 hour community penalties

Over 40 complaints to Action Fraud and Citizens Advice led to this investigation into an online property letting scam. Numerous properties were listed for rent on Gumtree, Rightmove and other property web sites. Either the properties were never available for rental purposes or deposits were taken from multiple consumers for the same property.

Three employees of London based, Oliver Knights property letting agency, pleaded guilty, to money laundering. In September 2019 they received the following sentences:

- Adnan Iqbal 34 from Barking: 10 months, suspended for 18 and 120 hours unpaid work
- Shaidul Islam 29 from Ilford: 1 year, suspended for 18 and 120 hours unpaid work
- Kamran Malik 30 from Plaistow, 1 year, suspended for 18 and 120 hours unpaid work.

Islam and Malik were also ordered to pay compensation orders of over £15,000.

11.7 Digital Evidence Forensic Support

The Digital Evidence Unit continues works on national investigations and provided forensic support. This year they supported 49 local authorities' and Regional Investigation Teams' investigations. They examined 155 PCs/laptops, 189 mobile phones and 233 other devices.

The Team's formal ISO 17025 assessment process is now underway, and they were working towards a pre-assessment in the coming quarter however this has now been delayed due to the impact of COVID-19.

11.8 Partnership working

Discussions continue with various external agencies and partners to promote the Team's work and to discuss joint working opportunities. Examples include:

Research

The Team contributed to a research programme undertaken by Maastricht University into how to use AI and machine learning to better identify fraudulent and misleading online advertising. The ultimate aim is to develop web crawlers and other tools that will enhance consumer enforcement authorities' ability to detect harmful content quickly.

The latest version of the 'Cyber Fraud and Scamming' booklet was published, in conjunction with the University of Bournemouth and the APPG for Financial Crime and Scamming. The Team contributed a significant proportion of the content. The booklet is aimed at professionals who might encounter vulnerable people, giving them advice on the latest online frauds to look out for and how to deal with potential victims.

Citizens Advice

Work continues with their online scams reporting service. A tool has been developed that will allow consumers to reports online scams directly to CitA but via partner web sites. The team has begun testing this tool on their new web site in this quarter. The intention is to provide an easy to complete form that will gather additional information from consumers, such as whether the consumer identified the scam on a social media platform or search engine advert. This will greatly assist the team in identifying key trends and additional intelligence on online scams.

National Cyber Security Centre

Work with NCSC on a review of the advice given to consumers to encourage safer online behaviour continues. This quarter saw the launch of a joint campaign supported by the eCrime Team and other partners to encourage the public to adopt some simple measures that would greatly improve their online security.

11.9 Communications

The Team proactively develops its media presence, which continues its upward trend:

- the Team issued 7,213 tweets which achieved 5.2 impressions (views) and 5,800 re-tweeted content
- this year 6657 links were clicked through to read that content
- at 31st March 2020, the team had 22,590 Twitter followers

As the Team's new website was recently launched, we don't have a full set of figures for site visitors and page views this quarter.

The Team were quoted or had content featured on 1,290 broadcast, print and online media sources and featured in a Channel 4 documentary on the online retailer, Amazon. They featured in BBC's Fake Britain, filmed a BBC special on the topic of online dating frauds, and two episodes of the BBC series "Defenders" along with an interview for BBC Radio. They featured on Radio 4, and carried out two interviews for BBC's 'You and Yours', along with a feature on 'Tech support frauds' on various BBC regional radio programmes.

eCrime Team Data

General Outcomes	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	Total
Operations commenced	2	3	0	1	6
Operations concluded	2	1	2	2	7
No of live Operations	13	14	13	12	-
Value of detriment avoided	£447,414 ¹² .00	£47298.22 ¹³	0	£3,500,000	£4,024,712.22
No of website/social media takedowns, or other successful interventions outside the courts.	271 web site suspensions	366 web site suspensions	113 web site and social media suspensions	106 web site and social media suspensions	856
Operations where the eCrime Team assisted another local authority/agency	13	11	14	11	49
Enforcement Outcomes of eCrime Team Operations					
Defendants convicted/found in breach	3 ¹⁴	3	0	2	8
Total fines imposed	0	0	0	0	0
Total custodial sentences imposed	2 (7 years 5 months)	0	0	2 (6 years 5 months)	4
Total suspended sentences imposed	1 (2 years) ²	3 (2 years 10 months)	0	0	4
Community service penalties:	0	3 (360 hours)	0	0	3
Other penalties: Director disqualifications Written Warnings	2 (x 8 years)	0	2	2 (x 10 years)	6
Compensation awarded to victims	0	£15,000	0	0	£15,000
Court costs awarded	0	0	0	0	0
POCA confiscation awards	£6,082,487.24	0	0	0	£6,082,487.24

Table 6 – NTS e-Crime Team Management Data

¹² inc additional detriment determined by court at POCA hearing

¹³ Amended due to error

¹⁴ includes one Op Dougal defendant's sentence omitted from previous reports.

Chapter 12 - Safety at Ports and Borders

12.1 Background

For 2019/20 NTS commissioned work at: Southampton, Felixstowe, Dover, Tilbury Docks and London Gateway; Heathrow, East Midlands, Manchester, Stansted and Birmingham airports, and the postal hubs at Coventry and Langley.

From April 2019 the Office for Product Safety and Standards (OPSS) has managed the intelligence function and will manage the operational ports work also from 1 April 2020. Intelligence and referrals were provided to all ports and borders except East Midlands by the Single Point of Contact (SPoC) with the seconded Border Force Officer based at East Midlands Airport providing referrals from the Anti-Smuggling Net to Stansted and East Midlands Airports. Authorities also generated referrals via localised manifest checks and received referrals from local Border Force colleagues.

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 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.

12.2 Overview

Over 4,000 referrals were made and in 52% of the cases some form of safety issue was identified. The work prevented over 1.1 million unsafe and over 4.1 million non-compliant items entering the UK supply chain. The cost to society, had these items not been removed, is calculated to be almost £174 million.

In addition, using the wellbeing measures from the independent review that took place in 2014, it is estimated that this work ensured 3,681 serious injuries were avoided, 3,155 fires were prevented and 11 lives were saved.¹⁵

12.3 Case Studies

Over the year, the Teams found a whole range of unsafe and non-compliant goods. Below are a few examples.

¹⁵ Calculated based on the methodology from the Matrix independent report 2014

Cosmetics

A consignment of cosmetics imported from Armenia via Switzerland was stopped at Dover by Kent Trading Standards. Information received showed that the importer had previously been stopped by Thurrock Trading Standards in March 2019. The goods at Dover were inspected; they looked genuine but had the label of a large cosmetics company on the outer boxes. Enquiries were made with this company, who stated that the import was 'not a usual trade route'. The importer was unable to provide sufficient documentation to demonstrate compliance. A notice was issued and the goods were not permitted entry into the country and were returned to Switzerland. The local Trading Standards service for the importer were provided with information about the business.

Thurrock Trading Standards completed a manifest search on some containers bringing in 'foodstuffs' from Nigeria. One of the packing lists referred to some cosmetic products and since neither the importer nor the exporter had been seen before an examination was conducted. Three of the cosmetic products had medicinal claims stated on them (for example; '*fast relief for sufferers of rheumatic and arthritic pain*') and were subsequently seized by the Medicines and Healthcare products Regulatory Agency as unlicensed medicines. Officers asked the importer for cosmetic product safety reports and relevant reference numbers for the remaining cosmetics which they could not produce. The cosmetics were therefore refused entry and returned to the manufacturer.

Regular consignments of skin lightening creams claiming to contain between 2 and 4% hydroquinone were detained by Warwickshire Trading Standards. Hydroquinone is only permitted in artificial nail systems at a level of 0.02%. At least four different products were seized and these all had non-permitted levels stated on the label.

Essex Trading Standards found 25 cartons of a leave-in conditioning hairspray from China. It was identified as being non-compliant on labelling and had no proper Product Information File to evidence toxicological safety. However, there was some uncertainty as to whether the hairspray was for use on human hair or just wigs. The inland authority established that the main purpose of the product was to condition wigs, whilst not being worn. With the assistance of colleagues at Brighton & Hove Trading Standards, revised on-pack labelling and website claims were agreed.

Manchester and Warwickshire Trading Standards found a consignment containing cosmetic products with the banned ingredient hydroquinone. The products consisted of herbal spot and sunburn removal cream, skin lightening lotions and 37 litres of an unmarked yellow liquid. In Manchester, some skin lightening cream spilled on the evidence room floor and this has permanently burnt the floor and also scorched an exhibit label.

In December 2019, Havering Trading Standards received a referral of an entry containing men's grooming toiletries. The agent and the consignor did not want to provide a cosmetic products safety report for the items. They stated that in registering the items on the portal it was acknowledged that they were safe. They could not provide reports for four of the product lines so those products were destroyed.

Thurrock and Barking and Dagenham Trading Standards have been working together to help Barking and Dagenham commence work as a part of the ports and borders project. The first consignment was examined and found to be a range of different cosmetics imported from India. It was immediately obvious that there was no responsible person in the European Union for the goods and the labelling was non-compliant. Officers asked the importer for copies of the relevant documentation but they could not provide any. The goods were refused entry and the entire consignment has been re-exported back to the supplier. This was a great initial outcome for Barking and Dagenham.

A consignment of 240 cosmetics was suspected of being counterfeit and detained by Leicestershire Trading Standards at East Midlands Airport for safety testing. In the lead up to Christmas this brand was highly sought after, and many sellers had sold out. The consignment consisting of a branded lipstick set and shadow pallet, was estimated to have a total retail value of over £7,000. The yellow pigment was found to contain 406.2mg/kg of lead. Lead is prohibited in cosmetics products. Officers liaised with the inland authority who requested that Leicestershire hold the consignment pending their own investigation of the importer.

Buckinghamshire and Surrey Trading Standards found four boxes of skin whitening cream with 1,159 products in total. Officers used intelligence previously gathered through a project by London Trading Standards to assist in the assessment. All the products failed to comply with the cosmetic products regulations for various labelling breaches.

Warwickshire sampled Asi Face Cream which was found to contain 3660mg/kg of Mercury. This is listed in the Cosmetic Products Enforcement Regulations 2013 as a substance prohibited in cosmetic products. No ingredients appear on the packaging. The items were detained for destruction.

Toys

Suffolk Trading Standards detained three consignments of giant plush teddies, removing 1,421 unsafe toys from the supply chain. The biggest concern was that there was direct access to the stuffing via a large zip in the back of the bear, posing a serious risk of injury or death by suffocation. The bear also featured a large ribbon

bow which was a strangulation hazard. After seeing the post on @SuffolkTS social media, the story was picked up by local and national press.

A consignment of 476 frog bath toys imported through Southampton were inspected by Hampshire Trading Standards. The consignment was also found to contain a small yellow rubber duck. The plastic bag that held the frog failed testing, as it presented an asphyxiation hazard. The duck failed phthalate testing with a result of 18% of the chemical DEHP, which is 180 times the maximum permitted limit of 0.1%. The products were destroyed.

Thurrock Trading Standards found 28,000 tubs of toy slime which had the appearance of a tub of ice cream of a well-known brand of biscuit, and inside the slime were little pieces of imitation biscuit, and a whole piece of biscuit. The importer's test report indicated that the heavy metals were all below tolerance, however the independent test report showed the slime failed as its levels of lead were higher than the regulation limit. The independent test report also concluded that due to the way the slime was packaged, food imitation needed to be taken into account and therefore the 'biscuit' inside the slime was found to be a choking hazard. The importer was advised that the slime needed to be destroyed.

Manchester Trading Standards were notified about a consignment of soft toys, including soft toy guinea pigs, imported from Peru. The toys were not labelled correctly and the eyes presented a choking hazard. The importer, based in York, failed to provide any relevant technical documentation. As a result of the safety failings, the toys were refused entry into the country and were destroyed.

Solihull Trading Standards checked a consignment of toys at Birmingham Airport. It consisted of 350 'plush collectible sculpture for ages 14 plus' but a swing tag recommended for it not to be given to anyone under the age of three. The toy was brightly coloured, soft, wearing a bandana and appeared to have its tongue sticking out. This was considered child-appealing and so the labelling was examined. There was only an address for an importer in America rather than the European Union. There was no CE mark. The importer acknowledged the concerns and their inland local authority agreed to take on this matter and work with the importer to bring the toys into compliance.

Hillingdon Trading Standards examined a large consignment of unsafe and counterfeit 'Despicable Me' childrens' plastic toy watches imported through Heathrow airport. The back cover could detach easily allowing access to the lithium-ion button cell battery presenting a choking hazard and risk of acid injury to the intestine. The importer claimed the goods were for a combined funeral and birthday party for children. Hillingdon did not believe this unusual story and considered the goods were

for commercial sale due to the large quantity. Hillingdon subsequently arranged for the goods to be forfeited for destruction.

An importer of novelty toys had their product stopped at Heathrow by Slough Trading Standards for lack of labelling and CE marking. Although the products would not normally be given to children, they were declared as toys and one had a marking on it 'not suitable for children under the age of three'. The goods were subsequently sent for re-working.

Hampshire Trading Standards checked a consignment of mixed goods including balloons, transformers and beauty instruments being imported by an unknown importer to a known address. A decoration set made up of a bag of balloons of different colours and various banners were enclosed. No labelling or CE marking was present. The sample also failed with respect to N-nitrosatable and N-nitrosamines levels being above the permitted levels. N-nitrosatables can react with other chemicals to produce N-nitrosamines which are carcinogenic. Unfortunately, due to the lack of traceability provided on these products, it has not been possible for them to be placed on the RAPEX alert system but the consignment will not reach the market.

Hampshire Trading Standards inspected a mixed consignment of goods containing domino sets. The result revealed that the products presented a serious risk both due to the dominoes themselves and the storage bag supplied with them. The product did not have any markings, including traceability or warnings. As the dominoes fitted into the small parts cylinder and no warning was present it failed testing. Additionally, the storage bag had an opening greater than 380mm and used a drawstring for closure. The bag was impermeable and thus was deemed to be a potential asphyxiation hazard. The goods were destroyed.

Kent Trading Standards inspected a consignment of 500 plush toy bears from China destined for a funeral supplies company in Milton Keynes. They stated that the bears were not toys and were intended for adults to put keepsakes of their lost loved ones into the bear's integral pouch. For this reason, the importer had the bears safety tested but not to check if the bears were safe for children under 36 months of age. The bears appeared to be of good quality and appeared like normal soft toy bears albeit with an integral pouch however because the bears looked like 'normal' soft toys, they needed to comply with all aspects of Toy Safety Regulations. The importer had the bears re-tested to include the 0- 36 months age group and they were found to be safe but the labelling was still an issue. The local Trading Standards department were contacted, and they agreed to oversee the importer's relabelling of the bears.

Trading Standards at Solihull were referred a consignment of toys called Fred the Frog; the importer was a major publishing company. Fred the Frog books are used to teach children how to read, and the toy frog was the physical embodiment of the character in the books. The frog is thus sold alongside the books. On inspection, the labelling of the toy was incomplete, missing the details of the manufacturer. The Trading Standards department local to the importer was informed; they responded that they would deal with the importer about this matter. The consignment was released to the importer.

Electrical Products

Surrey and Buckinghamshire Trading Standards inspected a mixed consignment including electrical products. A smart bracelet was held for consideration under The Radio Equipment Regulations 2017. The importer was unable to provide any documentation relating to this and other products. The bracelet along with seven other boxes were refused entry and destroyed.

A hot air hair brush imported through East Midlands Airport and destined for a large fulfilment house was stopped by Leicestershire Trading Standards. The product was sent for testing and had a catastrophic failure. The electric hair brush caught fire during the test and the laboratory having to be evacuated. The temperature of the brush was found to exceed 130 Celsius. In addition the hairbrush also failed on product labelling requirements. The local authority where the business was based liaised with the fulfilment house and 190 units of the heated hair brush were removed from sale.

Essex Trading Standards received a referral for goods at an External Temporary Storage facility. The consignment included 70 facial saunas. The saunas were found to have unsafe mains plugs and fuses, and the user safety instructions were poorly written. In addition, there was no-one in the United Kingdom or the European Union taking responsibility for the appliances, meaning there would be a big issue in the event of a product recall. The seller was in China. The goods were destroyed.

Solihull Trading Standards refused entry to a consignment of Light Emitting Diode lights from China which were on their way to be sold via an online market place. The lights were of the string type with many bulbs attached to the same connecting wire. Samples failed to comply with the electrical equipment regulations. The solar powered lights also carried a fake brand mark intending to suggest that they had been tested and certified by a reputable company. The exporter's representative wanted to return the lights to China to be re-worked. As the invoice cost for each string light was under US\$3 that was thought improbable. As such 3,830 units were ordered to be destroyed.

Suffolk Trading Standards found hundreds of balance boards, e-bikes, e-trikes and e-scooters, arriving in small and larger consignments with serious safety concerns. Some products had no markings and were supplied with counterfeit plugs and fuses posing a fire hazard and risk of electric shock. Many were detained and destroyed. Over 150 electric bikes were detained with no instructions or user manual and no warning markings on the product. On testing it was found that the power assisted motor did not cut out at the required speed resulting in the bike getting faster and faster. On the test track, the bike reached 47 kilometres per hour before the test was halted. The goods were rendered inoperable and returned to origin.

Kent Trading Standards found over 6,000 lamps and lamp fixings from Turkey. The items were of poor construction and electrically unsafe, this included access to potentially live parts. These were some of the worst examples of unsafe electrical goods seen by the Team. The electrical goods were eventually released following modification including the removal of all electrical components; wiring, fittings, plugs.

A small quantity of hand-operated drones that had been imported through Southampton port were checked by Hampshire Trading Standards. The initial test report received did not match the model numbers of the products. A second test report was received which appeared to be identical to the first report but with the specific model numbers added. Officers expressed concerns to the agent who subsequently liaised with the consignee who chose to destroy the goods.

A sample from a consignment of power adaptors at the Coventry postal hub was tested by Warwickshire Trading Standards and found to be unsafe for a number of reasons. This included the fact that the primary and secondary circuits were bridged by an uninsulated metal heat sink. The items were detained for destruction.

Haverling Trading Standards checked consignments of novelty lights. They had none of the required key information such as the batch or serial number, no instructions and no name and address of the manufacturer or importer. Some items were also deemed to be appealing to a child. There were 20 separate importations of novelty neon and Christmas tree lights of which 21,951 were non-compliant. A different consignment of lights was discovered which had not been clearly identified on the packing lists. Testing confirmed that the neon lights were non-compliant and that the electrical Christmas tree lights were unsafe. A total of 3,534 unsafe Christmas lights had been imported. The importers were not based in the United Kingdom and were unresponsive. It took some considerable resource to separate out the unsafe lights from the non-compliant ones and then to prepare the appropriate paperwork. The unsafe lights were destroyed.

Southampton Trading Standards inspected a referral that covered goods in three 40ft shipping containers on a single customs entry. All of the products were for a

single business that has an established trade in Cannabidiol (CPD) oil and pain relief products in a number of world markets. The product sampled was a point of sale Liquid Crystal Display unit. Although the product was not unsafe it appeared to have been produced for the American/Canadian market thus had an American two pin plug, no CE marking and no established business presence in the United Kingdom. It was eventually agreed that two of the three containers would be returned to China, the third which contained only shelving units was allowed in.

Engraving machines imported through Heathrow were inspected by Buckinghamshire and Surrey Trading Standards. They were initially held due to two pin "American" plug and the machine appeared to use a Class 4 laser with no obvious safety provisions in place. A sample was taken for possible testing pending technical documents with the Agent advising that the machines were for sale in the European Union (EU) not the United Kingdom and they could provide a new EU compatible adaptor. The details were referred to Public Health England (PHE) who look at laser products for consumers. PHE found that the machines appeared to be Class 4 laser products and therefore not appropriate for sale to the public. They further stated that the machines almost certainly did not meet the essential health and safety requirements of the Low Voltage Directive and relevant British Standards. The most serious problem was that you appear to be able to pick up the laser while it is in use and direct towards yourself or others. The machines were destroyed.

Other

Officers at Southampton inspected a consignment which included 80 cartons of baby walkers. They were found to have no English markings or instructions. Additionally, they failed physical testing with small parts that posed a choking hazard, plastic packaging that posed a risk of asphyxiation and no features to prevent the walker tipping over at surface edges. All 80 units were surrendered for destruction.

Thurrock Trading Standards found a consignment of baby cot beds. Upon first look the beds looked well-made and well labelled. However the standard had just been superseded by the 2019 version, so officers sent a bed for independent testing. The importer advised they were aware of the new standard and that the beds would need to be retested to the new standard once they arrived in the UK. They had a very good working relationship with their local authority. Test results showed they would have failed both the old and new standard. The inland authority is looking at issuing a Withdrawal Notice to the importer for any goods currently on the market.

In February, Suffolk Trading Standards checked a consignment containing telescopic ladders. Amongst other non-compliances, the ladders bore a CE mark which is not permitted on this product type. They also included non-compliant Personal Protective Equipment gloves and the ladder came with wheels that were not featured

in the instructions accompanying the product. The assessment of this consignment of goods was also filmed by ITV for ITV Anglia News. A further four consignments of ladders were identified over the next couple of weeks. Suffolk made contact with the Ladders Association to enquire about possible testing. This was excellent timing, as a brand-new Test and Research Centre had just opened, an independent testing centre, which is funded by the Ladder Association. The manager of the new facility visited Suffolk's offices to visually assess the ladders and two samples were submitted for testing. Suffolk worked with the Test & Research Centre to develop a 'critical fault test', in addition to a template for test reports for future work. The multi hinge ladders submitted were assessed as unsafe and failed vertical load, strength and opening restraint tests. These consignments of ladders were refused entry.

Haverling Trading Standards inspected 100 ski goggles. They did not have the required labelling. Importers were not able to produce a test certificate or a declaration of conformity. It was thought that as a result of the Coronavirus outbreak in China such documents were taking too long to be identified and delivered. The importer's agent informed us that they could not get the documents and wanted the items returned to China. As the items could not be shown to be safe this request was refused. The goggles were destroyed.

A very unusual consignment declared as "Sunglasses" was examined at Stansted Airport in January. The 1000 piece shipment did contain dark glasses, but they were not designed to protect the user from UV rays from the sun. Instead it seemed that the special blue lenses were supposed to enable the wearer to see *auras* surrounding people, and even help to identify ghosts and other members of the spirit world! A quick check on a well-known online sales platform revealed that "Aura Glasses" were indeed 'a thing' and are apparently "*a very popular tool with ghost hunters, reiki practitioners and people generally interested in seeing auras.*" Before releasing the consignment, the Essex officers considered whether any buyer or user could pick these up and get confused about their intended function (e.g. might a third party think they were actually sunglasses?). The conclusion was that as it was very hard to move around safely with these glasses on, anyone reaching for them and thinking they were Personal Protective Equipment would soon realise they weren't designed to protect from the sun. Excluding shipping costs from China to the UK, the mark-up on the Aura Glasses was calculated as being over 200 times the cost to the importer, based on the retail price! Rather than being a product safety issue, it was more a case of *caveat emptor*.

National Trading Standards Safety at Ports Management Data

Quantities Taken out of Supply Chain	Number Apr-Jun 19 ¹⁶	Monetary ¹⁷ Value Apr-Jun 19	Number Jul-Sep 19	Monetary Value Jul-Sep 19	Number Oct-Dec 19	Monetary Value Oct-Dec 19	Number Jan-Mar 20	Monetary Value Jan-Mar 20	Total Number	Total Monetary Value
Unsafe Items Taken out of Supply Chain ¹⁸	248,557	£8,219,780	527,305	£17,437,976	177,162	£5,858,747	152,645	£5,047,970	1,105,669	£36,564,474
Non-compliant items ¹⁹ Taken out of Supply Chain	648,482	£21,445,300	724,777	£23,968,375	2,280,173	£75,405,321	497,276	£16,444,917	4,150,708	£137,263,914
Total Unsafe and Non-compliant Items Taken out of Supply Chain	897,039	£29,665,080	1,252,082	£41,406,352	2,457,335	£81,264,068	649,921	£21,492,887	5,256,377	£173,828,387

Table 7 - Quantities Taken Out of Supply Chain via NTS Ports and Borders Work

Results of all referrals					
	Apr-Jun 19 ²⁰	Jul-Sep 19	Oct-Dec 19	Jan-Mar 20	Total 2019-20
Total No of Referrals	1241	1192	978	785	4196
Total Unsafe	284; (23%)	283; (24%)	215; (22%)	195; (25%)	977; (23%)
Total Non-Compliant	351; (28%)	309; (26%)	326; (33%)	237; (30%)	1223; (29%)
Total Referred to Another Non-TS Agency	10; (1%)	3; (<1%)	3; (<1%)	9; (1%)	25; (<1%)
Total Pending	41; (3%)	97; (8%)	22; (2%)	65; (8%)	225; (5%)

Table 8 - Summary Table of Referrals Information

¹⁶ Note: Quarter 1 figures were subsequently revised due to a reporting discrepancy from a participating authority

¹⁷ See Annex for detriment calculation

¹⁸ Detained/forfeited/returned to point of origin/voluntarily surrendered/re-worked/destroyed

¹⁹ Reworked/returned to point of origin/voluntarily surrendered/detained/forfeited/compliance notice issued

²⁰ See note 10

BREAKDOWN OF REFERRALS ²¹																				
U = unsafe, N/C = non-compliant, P = Pending, R = referred on																				
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/ Southampton	1					169	15	51	3		89	3	13	1		2	1	1		
Hampshire/ Southampton ETSF						177	21	52	63											
Kent/ Dover	3		3			264	1	156	38							3		3		
Thurrock/ Gateway, Tilbury, Purfleet ETSFs	12	5	7		1	182	51	66			72	7	41		1	2	1	1		
Havering/ Tilbury ETSF						8	2	2			32	8	18							
Barking and Dagenham/ Tilbury ETSF						2		2			1		1							
Suffolk/ Felixstowe	7	3	2	1		590	238	195	25							17	12	3		
Essex/Felixsto we/Tilbury/Gat eway ETSFs	1	1				29	8	18												

²¹Seaports-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

AIRPORTS																				
Essex/ Stansted	65 (60 EMA UKBF refs, 5 ad hoc local UKBF ref)	9	41																	
Surrey/ Heathrow	1		1			135	6	28	33							1		1		
Slough/ Heathrow	8	5	2			36	5									1	1			
Hounslow/ Heathrow						275	62	62	3											
Hillingdon/ Heathrow	10	9		1		292	66	33	3							7	7			
Manchester/ Manchester	4	3		1		32	1	4												
Leicestershire/ EMA	1473	36 4	359	52	5	1														
Solihull/ Birmingham	3 (3 ad hoc local UKBF ref)	3				13	5	3	1											
POSTAL HUBS																				
Warwickshire/ Coventry hub	176	54	54		18															
Slough/ Slough hub																				

Table 9 - Breakdown of Results of Referrals by Type and Location (Cumulative to most recent quarter)

Chapter 13 - Scams

13.1 Background

Mass Marketing Fraud (scams) often target disadvantaged or vulnerable consumers. It causes approximately £5-10 billion of detriment to UK consumers per year. National Trading Standards commissions a Scams Team from Buckinghamshire and Surrey Trading Standards. They help identify and make referrals about individual victims of mass marketing fraud. They undertake disruptive activities to reduce detriment and work with partners on several mass marketing fraud programmes.

13.2 Overview

The NTS Scams Team enters into data sharing agreements with local authorities. Out of 197 local authorities, 177 are signed up (90%) of which 145 are in England and Wales. Capacity allowing, these local authorities commit to engaging with the victims in their areas. Local authorities feed back to the Team at four-week intervals. This enables individual consumers' detriment and savings to be measured.

This year the Team saved consumers £22,703,586 through its investigations and disruption work and the savings made through local authority support. The Team estimates that for every £1 of funding received, it saved consumers £47²² this year. These figures include estimated healthcare savings and health related quality of life savings²³.

This year, NTS has noticed a change in the scams landscape. The Team's successful work with Royal Mail and the mail industry has stopped the classic "scam solicitation" mailings. These bold "guaranteed winner, urgent mail please open, seven days to reply" style of letters are being replaced with smaller plainer envelopes targeting previous responders to scam mail. Scam mail is still entering the UK but the methods of anonymising the mail change regularly making it harder to detect. The trend, now, is for the fraudsters to send smaller batch quantities rather than bulk mailings and use stamps instead of franked mail.

²² Calculated on £22,703,585.99 predicted and actual savings to consumers divided by the base grant budget of £22,703,585.99/£488,000 = £46.50

²³ Using the detriment measure NTS commissioned from Optimity using Home Office statistics

13.3 Friends Against Scams (FAS)

The FAS team worked with the National Mental Capacity Forum to develop Utilities Against Scams and produced training and a toolkit especially designed for energy, water and telecoms companies. Ten companies have signed up to this. The Team and the Utilities Against Scams working group continue to look at how consumers, listed on their Priority Services Register can be jointly supported in relation to scams. Customers on the register are of pensionable age, disabled, have a long term medical condition, or are in a vulnerable situation.

The Team ran a successful project with the Older People's Commission for Wales and recently re-opened conversations with the new Commissioner on opportunities for collaboration.

The Team is working with City of London police to develop a Friends Against Scams training pack specifically aimed at PCSOs because it has been recognised that these officers are the ones most likely to come across scam victims as part of their day to day work.

Members of the FAS Team sit on the Multi-Agency Campaign Group; a partnership that delivers joined-up and priority-driven fraud and cybercrime messaging across the UK. The Group is a key delivery mechanism of the Police's National Cyber Protect Strategy.

There are a growing number of organisation pledging support. These include Peterborough City College, Inspiring Communities Together, Cam Sight, Royal Air Forces Association Housing Ltd, and Yorkshire Evening Post.

The Team has presented many scams sessions this year, leading to various organisations showing an interest and/or signing up to FAS, and encouraging staff to complete FAS training. These include the annual Stay Safe event held at the Royal Chelsea Hospital on International Day of the Older Persons; the Guinness Housing Trust; the Local Government Association and Lloyds (launched during National Fraud Awareness week); and other banks and building societies; Carers First; Lincolnshire Community Health Services; Neighbourhood Network; Office of Humberside Police & Crime Commissioner and One Community.

They promoted FAS to Trading Standards in Scotland at a conference and a Financial Abuse Safeguarding Event in Wales, and local authority events in England.

Several SCAMBassadors were signed up, including MPs and an economist, journalist and broadcaster. Also, they developed a joint briefing document with the National Fire Chiefs Council on the importance of scams prevention for distribution to fire services.

Last summer, after a successful pilot, the 'Young Friends Against Scams' training package was launched and positively received. It was adapted into a format designed for children aged 9-14 years old for either a school or youth group setting.

A Friends Against Scams awareness session was recorded in a webinar by the Charity for Civil Servants and hosted on their website.

	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	19-20 Total	Cumulative Total
No. 'Friends'	46,387	26,667	81,186	47,555	201,795	414,144
No. SCAMchampions	145	146	207	62	560	1,796
No. SCAMBassadors	3	2	2	6	13	206
No. Friends Organisations	18	11	43	21	93	238
No. Twitter Followers	201	361	207	445	1,214	4,277
No. Facebook Followers	157	245	204	552	1,158	2,931
No. on Facebook group	81	62	138	280	561	1,169
Practitioner e-learning completed	116	86	142	76	420	1,637

Table 10 – Scams Support Data

13.4 Scam Marshals

At the beginning of the year, after a successful social media campaign, the Team reached its 1,000 Scam Marshal target (finishing at 1,051). The total at the end of this year is 1521.

Scam Marshals send the Team the scam and nuisance mail that they receive. The Investigation Team finds this an effective source of intelligence, often not seen elsewhere.

In February, all Scam Marshals were offered a free call blocking unit. 146 Scam Marshals applied and received their free unit.

Scam Marshals are asked to go into their community and help raise awareness using the Friends Against Scams tools. As a result:

- 84.89% of Scam Marshals have not responded to scam mail
- 86.84% of Scam Marshals have not lost any money to scam mail
- 83.92% of Scam Marshals now know how to spot a scam
- 85.71% of Scam Marshals now feel safer in their own home
- 81.90% of Scam Marshals have been prevented from being scammed

The recent Optimity work estimated that the average saving to society was £202 per Scam Marshal over the course of one year. Based on this figure, 1,521 Scam Marshals equates to a saving to consumers of £307,242.

13.5 Postal Operators

Since November 2016, Royal Mail has prevented 4.71 million items from reaching consumers.

Under the Royal Mail Work Time Listening and Learning scheme 6,657 staff are now aware of scams. During the year the Team:

- conducted due diligence/training meetings with a postal operator into how the company took on and verified a customer and the proposed mailings, which led to similar work being planned with other postal operators
- advised Royal Mail of the Investigatory Powers Commissioner's Office's advice, which led to Royal Mail sharing outstanding data
- worked with Guernsey Trading Standards and Guernsey Post to contact three chronic victims of fraud and recover approximately £22,000 for them via the banks in one case, and in another
- worked with Guernsey Trading Standards and Guernsey Post and identified 200 suspected chronic victims of high value investment and other frauds; the interventions led to large sums of money being saved and/or reclaimed
- worked with a DSA provider and identified three clairvoyant style mailings entering the UK from Austria and Germany as part of a more targeted campaign based on previous victims' responses

13.6 Investigations work

This year the team stopped 389,648 mailings and saved £4,459,377 with an additional estimated healthcare saving and health related quality of life saving from mailings stopped of £2,408,063.

Recent examples include:

The Team identified a German-based company with a registered office and mailing operation in the UK. Via a flyer placed in several membership magazines they offered free entry to the National Lottery through a syndicate costing £52 per month. As a result of engagement with one of the printers and the magazine holder, the company has now stopped posting (25,000 mailings p.m.).

Operation Derdap: mis-selling of appliance cover. Two victims were long term users of the Telephone Preference Service (TPS) - one since 2008 and the other since 2004. Money was reclaimed for both victims: £3,140 for one victim, with a total balance of £18,590; and £2,170 reclaimed thus far for the second victim, with a total balance of £9,000. The money was returned from several different companies.

Previous mail victims are still being targeted with phone calls offering supplements, call blocking, insurance and "scam protection" frauds. It is believed that several UK-based companies may have obtained data from non-UK mailers. Six telephone numbers directly linked to these scam calls have been taken down. Numerous companies, virtual offices and bank accounts have been identified. Victims have been visited to gain evidence. One pattern shows common links between geographic area and individuals orchestrating these scams. The Team and LTS's Regional Intelligence Analyst are developing a tactical plan to tackle the London based enablers.

A scam originating from Canada, is now coming out of Spain and Poland with payments processed through a company in the UK. The person behind the mailings is in Germany and is also responsible for a number of clairvoyant and health mailings. The Team will liaise with contacts in Germany to devise an action plan. This company targets the UK with around 10,000 mailings per month via different methods.

Some of the Team's other achievements include:

- identifying and stopping clairvoyant and prize win mailings being sent through several newly discovered European mailing houses
- working with Canada Post to shut down a mailing operation charging £230 for membership to an elite winners club. A prosecution is pending in Canada.

- closing three entities, using Indian based call centres, offering overpriced health and wellbeing supplements, continuous payment and subscription traps, and the sale of worthless “domestic and home appliance and nuisance call insurance”
- working with Guernsey TS and Postal Service, the US Postal Service and a European country’s post service to intercept and destroy scam thus preventing it reaching the UK

13.7 International collaboration on investigative matters and mutual enforcement activity

In January, some of the Team attended the International Mass Marketing Fraud Working Group in London. Following this, the Team agreed to assist the Vancouver Police Department by taking witness statement from UK victims.

The US Department of Justice are assisting the Team with investigations into a US-based scammer. They have identified links with several associates engaged in a variety of mail and internet based scams.

This year, the Team had joint investigations with Belgian, German and Canadian enforcement agencies, and with Northern Territory Gambling Commission authorities and other lottery providers. They worked with USPIS, Royal Mail and the US Department of Justice on a clairvoyant style solicitation scam to obtain Court orders to close the PO Boxes used. They also worked with the Federal Trade Commission to release funds seized by them under the consumer payback scheme for UK citizens.

Scams Team Data

Performance Indicators	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2019	Total
Pieces of mail returned to sender/disrupted	159,035	126,430	29,183	75,000	389,648
LAs supported with advice & guidance on fraud, scams and investigations	13	11	4	12	40
Victims	1,608 ²⁴	628	505	587	3,328
Consumer detriment – specifically:					
Estimated future financial savings (TS intervention)	£830,788.97	£1,054,818.64	£240,644.95	£276,931.47	£2,403,184.03
Estimated healthcare & health related quality of life savings, (TS intervention)	£448,626	£569,602	£129,948	£149,543	£1,297,719
Actual savings to consumers by the local TS	£9,182.65	£24,211.00	£1,086	£1,659.95	£36,139.60
Estimated healthcare & health related quality of life savings from payments returned	£4,959.00	£13,074.00	£586	£896	£19,515.00
Financial saving from mailings stopped	£1,155,855.00	£2,013,200.00	£900,322	390,000	£4,459,377.00
Estimated healthcare saving & health related quality of life saving from mailings stopped	£624,161.00	£1,087,128.00	£486,174	210,600	£2,408,063.00
Financial savings from Friends Against Scams programme	£1,071,243.00	£615,837.00	£1,874,877	149,543	£3,711,500.00
Other savings from Friends Against Scams programme	£1,671,139.00	£960,706.00	£2,924,809	£2,811,434	£8,368,088.00
Total savings²⁵	£5,815,954.62	£6,338,577.00	£6,558,446.95	£3,990,607.42	£22,703,585.99
% of consumers recorded feeling safer in their own homes after TS intervention	75.4%	74.4%	58.4%	64.06%	68.06%
No. of Friends Against Scams initiative recruits	46,387	26,667	81,186	47,555	201,795
No. of SCAMchampions facilitating training to others	145	146	207	62	560
No. of SCAMBassadors in influential positions recruited	3	2	2	6	13
% of participants who completed the Friends training think they are less likely to fall victim to a scam	93%	96%	97%	97%	96%
% of participants who completed the Friends training, feel this will prevent them or anyone they speak to from falling victim to a scam	91%	96%	98%	98%	96%

Table 11 – NTS Scams Team Management Data

²⁴ This includes 1,000 victims that were manually added this quarter from when they were missed throughout the previous quarters due to the reporting issues with Compass. These are to be resolved as part of the changes being made to Compass.

²⁵ See annex for detriment calculation

Chapter 14 - Estate and Letting Agency

14.1 Background

The NTS Estate and Letting Agency Team is hosted by Powys County Council (as the lead enforcement authority under the Estate Agents Act 1979) in partnership with Bristol City Council (as the new lead enforcement authority named under the Tenant Fees Act 2019). They operate as single team. Governance is provided via the NTS Estate and Letting Agency Governance Group which includes MHCLG officials.

As the lead enforcement authority for the Estate Agents Act, the Team's responsibilities include the issuing of prohibition and warning orders, the management and approval of the UK's consumer redress schemes, providing sector-specific advice in relation to the obligations and responsibility of businesses under the Estate Agents Act, as well as maintaining a public register of prohibition and warning orders issued.

The formal appointment of Bristol City Council as lead enforcement authority for letting agency work in England took place in April 2019 and officers were recruited to the new posts. The Team now has eight investigators in place and as a result of re-structuring there are two newly created management posts ready for recruitment.

In its role as the lead enforcement authority under the Tenant Fees Act for letting agency work in England, the Team's responsibilities include: overseeing the operation of relevant letting agency legislation; issuing guidance to enforcement authorities; providing information and advice to enforcement authorities in England and to the public about the operation of the relevant letting agency legislation; keeping under review and advising Government on developments in the letting agency sector

14.2 Work to support local Trading Standards services

Considerable work has been done to produce a comprehensive catalogue of digitally available resources to local authorities. All existing guidance published by the Team is being reviewed to apply its provisions to the lettings sector in England, where relevant. The Team published its Tenant Fees Act 2019 Enforcement Policy, as required by the Act. Additional supplementary guidance is being produced to address topical issues as they arise.

14.3 Training events

This year, NTS received funding specifically to deliver training to local authorities across England on the provisions of the Tenant Fees Act. The Team developed a comprehensive one-day workshop. A total of 20 training sessions were delivered by the end of March 2020, two in each region in England with the London region receiving four. The training was attended by over 700 delegates drawn predominantly from Trading Standards enforcement officers and managers but also from housing, environmental health and legal. The feedback from delegates has been positive.

14.4 Regulation of Property Agents group

This independent group, led by Lord Best, was requested by the MHCLG to help drive reform in the UK estate agency industry, and lettings industry in England. The group members were from wide ranging industry groups. The NTS Director was a member of the group. The Team and Programme Office commented on specific calls for evidence and provided input throughout the operation of the group. Lord Best published his report in July 2019.

14.5 Casework, complaints and enquiries

The Team investigates cases under the Estate Agents Act 1979, culminating in fitness assessments of individuals and/or businesses to engage in estate agency work. Reasons for this include, but are not limited to; the failure to declare a personal interest in a property, failure to pass on offers to purchase a property, and failure to have membership of a redress scheme. Fitness investigations are also triggered by the commission of offences outside of the Estate Agents Act, including forgery, theft, violence, money laundering and breaches of the Consumer Protection from Unfair Trading Regulations.

Complaints and referrals are received from members of the public, industry, Trading Standards colleagues and other enforcement agencies. The Team also initiates cases following monitoring of news websites, social media etc.

The Team received an increase in complaints and requests for advice around the beginning of June 2019 when the Tenant Fees Act came into force and these continued to increase through the year as its role in letting agency work developed.

There is a continued increase in the number of instances of failure to enrol as a member of an approved redress scheme. The Team continues to work with the redress schemes to receive this data and to pass this on to local Trading Standards authorities for action.

At the end of March 2020, the Team had:

- 16 Notices of Proposal to prohibit/warn issued
- 64 cases under investigation which may progress for fitness action
- 30 cases awaiting assessment.

14.6 Stakeholder engagement, guidance and other activities

Examples of work undertaken by the Team included:

- Created the new Team website www.ntsela.uk and a new case management system for the Team to increase collaborative working capability.
- Carried out an audit of The Property Ombudsman Service to approve bodies as redress providers.
- Provided training to The Property Redress Scheme, in particular, focussing on 'trigger events' which may result in action being taken in respect of estate agents.
- Continued work to agree new data sharing relationships with key organisations such as Propertymark and the Royal Institution of Chartered Surveyors.
- Engaged with industry groups such as, The Guild, client money protection schemes, tenancy deposit schemes and with organisations such as Shelter and Insolvency Service to further the Team's data sharing capacity.
- Continued to work with HM Revenue and Customs, Companies House and Land Registry to facilitate joint working arrangements
- Devised and progressed a project to create an enforcement checklist with the intention to assist enforcement agencies conducting inspections and investigations into businesses. This is in conjunction with the Online Compliance Survey aimed at measuring the level of compliance by agencies when conducting their business online.
- Contributed to the meetings of the Transaction Reform group
- Commenced a project with property portals to improve material information provision

- Contributed to the planning of the Buying and Selling Property Information pilot
- Worked with Central Office of Public Interest on improving information provided to prospective home buyers on air quality and pollution
- Contributed to the Client Money Protection enforcement guidance
- Attended leasehold collaboration meetings at the Leasehold Advisory Service
- Attended The Property Ombudsman Industry and Consumer Forums in November and took part in live webinars for Rightmove
- Presented at the PropertyMark conference, the Chartered Institute of Environmental Health national housing conference, several Trading Standards branch events and the National Association of Estate Agents regional conference
- Generated mainstream media engagement, for example; The Times newspaper, BBC Defenders UK and Radio Four Moneybox in addition to industry press such as Property Industry Eye and The Negotiator

14.7 Case studies

The following are examples of the kind of case work carried out by the Team this year.

An investigation regarding an estate agency refusing to pass on offers unless the buyer-client agreed to use the services of its preferred conveyancers.

An investigation into an individual who had previously been prohibited by the Team and was allegedly still engaging in estate agency work, including allegations of aggressive commercial practices, a failure to pass on offers and trading whilst bankrupt.

Allegations of fraud in respect of energy performance certificates, with the potential for associated offences under the Consumer Protection from Unfair Trading Regulations 2008.

A new business model was reported consisting of a 'competition' to win a chance to own property. There are various concerns over the material information provided, resulting in interest from a number of partner enforcement agencies over the validity of the contract. This model falls within the remit of 'estate agency work'. This may culminate in a fitness investigation, pending further investigation.

A case was referred to the Team by the media, regarding a letting agent fraudulently using tenancy deposits for their own personal gain. A number of the Team's current notice of proposals under the Estate Agents Act are noted to have been 'triggered' by this same behaviour of late. Although this is in relation to letting agency work, the Team has the ability to proactively consider the fitness of individuals and businesses to engage in future estate agency work thereby protecting the market and consumers.

The Team was referred a case by the Metropolitan Police which pertains to the behaviour of the directors of two estate agency firms, both accusing the other of fraud. The case has been referred to local authority colleagues in the first instance, with the intention that the Team will be involved from a fitness investigation point of view.

A prohibited agent has become a director in an estate agency business and the Team has been working with the local Trading Standards service to ascertain whether their involvement consists of 'estate agency work' as defined the Act. This person's position within the company is being examined and they will continue to be monitored to ensure they are following advice given by the investigator from the Estate and Letting Agency Team.

Radio Four's Moneybox programme contacted the Team in relation to 'quick sale' companies i.e. offering a quick sale if the seller is willing to accept a price lower than market value. A number of allegations have been made of transactions based on fraudulent information and misleading claims. The Team has been looking at these business models to ascertain whether they are conducting 'estate agency work'.

The Team has been approached by the Titan Government Agency Intelligence Network in relation to an investigation into an organised crime group which has acquired control of over 110 properties. Some have been purchased by people who are in the control of the OCG. The majority are rented properties. The OCG has a number of tenants who are forced to allow the use of their home for a number of criminal purposes such as brothels, cannabis farms, and storage for illicit goods. It is unclear at present how many letting and estate agents are involved in the process. The Team will be advising and assisting as required.

The Team has been made aware of a property auction business that may be money laundering and participating in shill bidding to inflate prices and mislead consumers.

Another case related to a letting agent going into liquidation and the loss of 568 tenant deposits. Processes relating to deposits were not followed correctly, no funds are available to return the deposits to the tenants. The Team also has the ability to proactively consider the fitness of individuals and businesses involved in any estate agency work in the future thereby protecting the market and consumers.

National Trading Standards Estate and Letting Agency Team Management Data

	Apr – Jun 2019	Jul – Sep 2019	Oct – Dec 2019	Jan – Mar 2020	TOTAL
Complaints received (estate agency and letting agency work)	261	304	434	276	1275
Requests for advice received (estate agency and letting agency work)	75	90	90	79	334
Other enquiries received & assistance (estate agency and letting agency work)	3	3	6	14	26
Media enquiries received (estate agency and letting agency work)	5	1	6	18	30
Prohibition orders issued (estate agency work)	7	2	1	6	16
Warning orders issued (estate agency work)	0	0	0	0	0
Cases with no further action following adjudication (estate agency work)	0	0	0	2	2
Cases with no further action following investigation (estate agency work)	0	0	0	0	0
Prohibition orders taken effect (estate agency work)	2	5	1	3	11
Warning orders taken effect (estate agency work)	0	0	0	0	0
Appeals against formal orders received (estate agency work)	0	1	0	0	1
Applications to revoke or vary a prohibition or warning order (estate agency work)	1	1	0	0	2
Fixed penalty notices for non- membership to a redress scheme under investigation (estate agency and letting agency work)	18	51	51	66	186
*Fixed penalty notices for non- membership to a redress scheme issued (estate agency and letting agency work)	4	-	-	-	12

* Individual figures have not been attributed to quarters two, three and four for this measure due to reporting difficulties but the end of year cumulative total is shown.

Table 12 – Estate and Letting Agency Team Management Data

Chapter 15 - Advertising Standards Authority

15.1 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 provided a legal backstop for misleading non-broadcast advertising and this has been provided via NTS since 2013. This function is provided by Buckinghamshire and Surrey Trading Standards. Buckinghamshire and Surrey officers have established regular contact with the ASA and regular meetings and communication is now supporting the referral process.

15.2 Referrals

	Apr–Jun 2019	Jul–Sep 2019	Oct-Dec 2019	Jan-Mar 2020	TOTAL
Referrals received	2	1	4	1	8
Referrals closed	3	1	3	1	8
Referred to another agency	2	0	0	1	3
Total under investigation	13	12	13	12	12

Table 13 – ASA referrals

15.3 Health Claims

NTS had sought advice on whether they could use the NTS grant to pursue issues relating to health claims given the crossover with Department of Health Policy. This was confirmed to be within NTS remit and a significant number of cases referred relate to this subject.

Referrals have been made in relation to a range of complementary health services. Examples include homeopathic remedies for autism and unorthodox allergy /asthma therapies which lack medical evidence to support their efficacy. Significant challenges with regards to identifying and securing suitable expert witnesses and appropriate evidence. A number of referrals have been made relating to CEASE therapy claims. These have been highlighted in an ASA press release.

One case, which was prosecuted by LB Camden in 2018/19 was subject to appeal this year. The case was decided in favour of Camden Trading Standards enabling further investigations into new claims that relate to diagnosis of medical conditions via “live blood testing”.

15.4 Other Case Work

Established protocols provide for the ASA to fully exhaust its own compliance remedies first, before considering a referral to the backstop. Experience has shown that there is little to be gained in attempting to bring advertisers into compliance where their business model is based on clear scamming or illicit trading. It has therefore been agreed that cases of this type will be fast tracked to the backstop.

Examples continue to include copycat websites offering services provided by the DVSA or EHIC card applications, phone unlocking and websites operated from China selling counterfeit clothing and footwear.

Operation Millie: The NTS E Crime Team are investigating a case where it is estimated that thousands of consumers have paid an ‘application fee’ for an EHIC when using this alleged copycat web site. The cards are available for free through the official NHS web site. Approximately £1,000,000 of assets have been restrained. Subject to COVID-19 restrictions there is a PTPH scheduled for the coming quarter.

There is ongoing work in relation to misleading claims made on advertisers’ own websites. Many advertisers quickly choose to come into compliance on being contacted (often by voluntarily closing their websites). In other cases, online retailers have ceased their infringing behaviour following applications by NTS for their websites to be taken down by web domain registrars.

The NTS Estate and Lettings Team has worked with the Advertising Standards Authority in relation to ‘raffle houses’, a selling/gambling practice involving the opportunity to ‘win’ a property. One particular company has proven problematic, resulting in an initial warning letter being issued. This particular company’s business model falls firmly in the realm of estate agency work under the Estate Agents Act. This has resulted in a data sharing agreement between the Team and the Advertising Standards Authority in regards to these types of companies.

Cases are being assessed which relate to misleading or fraudulent claims relating to claims on how effective a product is in comparison to competitors and a potential scam relating to phone unlocking services.

Chapter 16 - Animal Health

16.1 Background

ACTSO provides support for animal health and welfare work, funded by APHA using the NTS Programme Office infrastructure. This work comprises: support for the National Animal Health and Welfare Panel; specific project work; and support for local authorities in the case of suspect and confirmed animal disease outbreaks.

APHA & Defra agree projects to be delivered; dependant on priorities. These are delivered by ACTSO contractors and managed by ACTSO staff. A report on each is below.

16.2 Outbreak Support

Outbreak support has been provided in 19/20 with personnel in place to give support outbreaks as appropriate 24/7. ACTSO attended a number of NDCCs in relation to a confirmed avian influenza outbreak in Suffolk.

In addition liaison was provided for suspected outbreaks: one equine, two anthrax, 10 avian influenza.

16.3 Projects and policy support

New Framework Agreement:

This was developed and published. All regions have now been visited this project is now complete.

Develop livestock markets inspections guidance and survey compliance:

This project has been the main project this year. The projects started with a survey of local authorities who have livestock markets in their area to determine approach and where consistent guidance might be useful. A report on the outcomes of this survey has been published. This survey was then used to develop guidance, in partnership with Defra/APHA and with industry input, for local authorities on effective and consistent enforcement at market. A final draft of the guidance has been produced, following significant liaison across Defra and APHA. This is published on the Khub.

Three training events were held around the guidance and very positively received. These included a consistency exercise, which has been used to develop further technical guidance to promote consistency in specific areas. This will also be published on the Khub. We are exploring ways to allow access to the online consistency tool for use locally.

Using APHA TB intelligence to prioritise inspections:

Work has been undertaken with officers from Devon and Cornwall and the National Animal Health and Welfare Panel TB enforcement lead to develop a case study to show best practice use of APHA TB intelligence. This case study is in final draft and should be published early in 2020/21.

Provide administrative support for the Animal Health and Welfare panel.

We continue to provide support for the Panel meetings. Work covered a wide range of topics as below:

- Panel members presented at training in relation to the Markets Guidance work which was undertaken during the year.
- Panel members provided views on guidance to the Animal Welfare (Licensing of Activities Involving Animals)(England) Regulations 2018; revision of Red Tractor animal health standards; Future Farming Programme, including the possible use of civil sanctions; and various technical queries from regional groups.
- Panel members continue to liaise and work with partner agencies and organisations including TB Enforcement Groups, Environment Agency, RSCPA, Red Tractor, British Veterinary Association.
- The Panel fed into the work undertaken by DEFRA to capture advisory, education and informal enforcement work undertaken activities undertaken by local authorities to achieve compliance. Work also continued inputting into the development of the Livestock Information Service.
- Panel members used MORILE principles to formulate priorities, identifying key thematic areas of work. There will be ongoing work from this carried forward into 2021.

Chapter 17 – Knife Crime

17.1 Background

In November 2018, the Home Office provided funds to NTS to carry out some focused work in relation to the underage sales of knives. This was part of the “Prosecution Fund”, a commitment of the Serious Violence Strategy, published in April 2018. The funding was for up to £500,000 in 2018/19 and 2019/20.

Other activities the Home Office is undertaking to tackle knife crime include a national knife crime media campaign and support for intervention work in Hospital Accident and Emergency Departments.

NTS work has focused on online sales and face to face purchases to young people in locations identified by the Home Office as having particular issues with knife crime. The desired outcomes of the work commissioned by NTS include:

- Improved intelligence on availability of on line purchases of knives.
- Deter businesses from selling knives to under 18's.
- Establishing a high conviction rate for those cases that are prosecuted.
- Clarification of uncertain areas of law.

17.2 Premises Based Test Purchasing

A further eight authorities, in addition to the 11 authorities selected in 2018/19, were selected by the Home Office in 2019/20 to receive up to £20,000 to augment their test purchasing activities. These were City of Nottingham, Lancashire, Lambeth, Lewisham, Waltham Forest, Enfield, Hackney and Redbridge. There were 387 test purchases with 32 sales (8.3%), 72% of which were by independent stores and 28% by national chains.

17.3 On-Line Test Purchasing

A large element of the project was to tackle the on-line sales of knives. This work was led by Croydon Trading Standards and was informed by intelligence provided by the Home Office alongside work carried out by the London Regional Intelligence Analyst.

100 online test purchases were made with 41 sales (41%). The outcomes are as follows:

- Four advice letters issued
- 15 managers warnings issued
- Five simple cautions issued
- 17 prosecutions

Of the 17 prosecutions, the outcomes are as follows:

In the first case ever of its' kind, **SD International Trading Limited** was fined £10,000 and ordered to pay £2,250 in costs after pleading guilty at Croydon Magistrates' Court on Tuesday 25 June to selling a knife online to a child. The Council's advocate told the court that half of all knife crime in London was committed by children and said SD International

- Showed no warnings on the website that the knife was an age-restricted product
- Did not ask for a date of birth to be entered during the sales process
- Had no staff training in place around underage knife sales
- Did not record refused knife sales.

Inifer Potter & Son Limited pleaded guilty and were fined £8000 plus costs.

Tool Supplies UK Limited pleaded guilty and were fined £8,000 plus costs.

After a trial, **Ronnie Sunshines Ltd** were found guilty and were fined £5,000 with £4000 costs and a victim surcharge of £170.

Heaton Catering Equipment entered a guilty plea and were fined £8,000 with £1,865.80 costs and a victim surcharge of £170.

Cromwells Tools entered a guilty plea and were fined £40,000 fine with £1,943.40 costs and a victim surcharge of £170.

Fishers Catering Limited entered a guilty plea and were fined £8,000 with costs of £2,161.40 and a victim surcharge of £181.

Technophobia Communications Limited entered a guilty plea and were fined £12,000 with costs of £2,200.60 and a victim surcharge of £181.

Woodland Ways Limited pleaded guilty and were fined £8,000 (reduced from £12, 000 for their early guilty plea) with costs of £1,898 and a victim surcharge of £170.

Sealants and Tools Direct Limited pleaded guilty by letter and were fined £8,000 with costs of £2,563 and a £170 victim surcharge.

Perkin Knives Ltd pleaded guilty and were fined £10,000 with costs of £1,744 and a victim surcharge of £170.

Bright Associates Limited were fined £11,725 with costs of £1,250 and a victim surcharge of £170.

Next Gen International Ltd were fined £3,500 plus costs of £1,500 and a victim surcharge of £170.

Following a two day hearing, **Shop Direct Home Shopping Ltd** trading as **Very.Co.Uk** were found guilty and fined £20,000 with full costs of £10,634 with a victim surcharge of £170.

Following trial **Today Tech LLP** were found guilty of selling a knife to a minor and fined £1,000 with full costs of £10,599 and a victim surcharge of £100.

The remaining two trials that were expected to be heard in 2019/20 were adjourned to be heard in 2020/21. In addition there is one appeal against sentence that is also to be heard in 2020/21.

17.4 Data for all knife test purchasing activity for 2018/19

Funding was provided to compile for the first time a national picture of the test purchasing activity and outcomes from 1 April 2018 to 31 March 2019, across all Trading Standards authorities in England and Wales. The Regional Coordinators were central to this and succeeded in returning a full 100% set of returns across all authorities in England and Wales. The key findings are as follows:

Number of Premises Based Test Purchases	2231
Sales	344 (15.5%)
National Retailer Sales	174 (51%)
On-line Test Purchases NTS Funded (Croydon)	100
On-line Sales	41

A publicity campaign highlighting these findings took place in August 2019 securing significant national television, radio and newspaper coverage with live interviews and much local coverage also.

In August, Barley Communications worked with National Trading Standards to develop a story based on NTS' investigation into the illegal sales of knives to under-aged children.

Barley secured 80+ pieces of coverage in national, regional and trade media, across print, online and broadcast channels.

NATIONAL TRADING STANDARDS
Protecting Consumers
Safeguarding Businesses



17.5 Best Practice Event

A discussion forum for all local authorities in receipt of Home Office funding for knife crime took place in October 2019 in Birmingham. This enabled everyone to share issues, concerns, identify solutions and share best practice.

A series of issues were raised including the general observation that less premises based stores are now stocking knives, following more enforcement and heightened awareness of issues, which may have the unintended consequence of pushing people to online sales and heightening the risk there.

For online work the point was made that if authorities are to engage in this they need to change their enforcement policies accordingly. After a detailed presentation from the NTS Ecrime Team the case for website takedowns for under age knife sales was acknowledged as a largely inappropriate enforcement tool. Croydon gave a comprehensive outline of the online work done.

Enforcement trends that were discussed included the higher likelihood of a female not a male being able to purchase a knife, language barriers that meant till operators were not able to check ID and the deliberate policy of juveniles being put on the till so that no offence can be committed by them if a sale results.

There was a demand for detail on the material that has been generated for this project and a Toolkit for Under-Age Knife Sales has been compiled as a result. It is available free to all Trading Standards colleagues on the ACTSO website in the National Trading Standards Training and Toolkits Section.

17.6 Trends

This work has resulted in three sets of premises based test purchase statistics; the first phase of 6 months Home Office funding produced a sale rate of 12.8%, the national statistics (covering the full year in which phase one formed a part) a sale rate of 15.5% and the second phase of Home Office funded work, a rate of 8.3%. The rate is therefore decreasing which suggests that the enforcement work is having an impact.

In terms of distribution of these sales by type of outlet, the first phase showed that 47 of the 121 sales, 39%, were made by national chains, the national statistics produced a figure of 51% sales by nationals whilst in the second phase, 9 of the 32 sales, 28%, were made by national chains. This is a significant reduction by nationals, with many no longer selling knives and those that are, seeming to be adopting more robust systems to verify age.

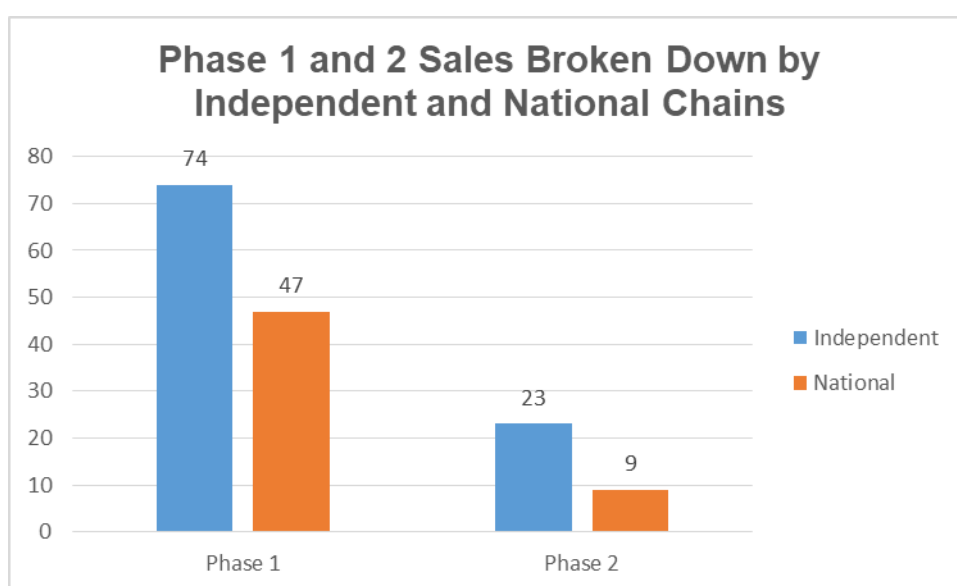


Figure 4

In terms of knives sold there has been a clear shift away from kitchen knives and knife sets (which together accounted for 40% of all product type sales in phase one), towards Stanley/Utility knives and Stanley knife blades which together accounted for 62% of total sales made in phase two.

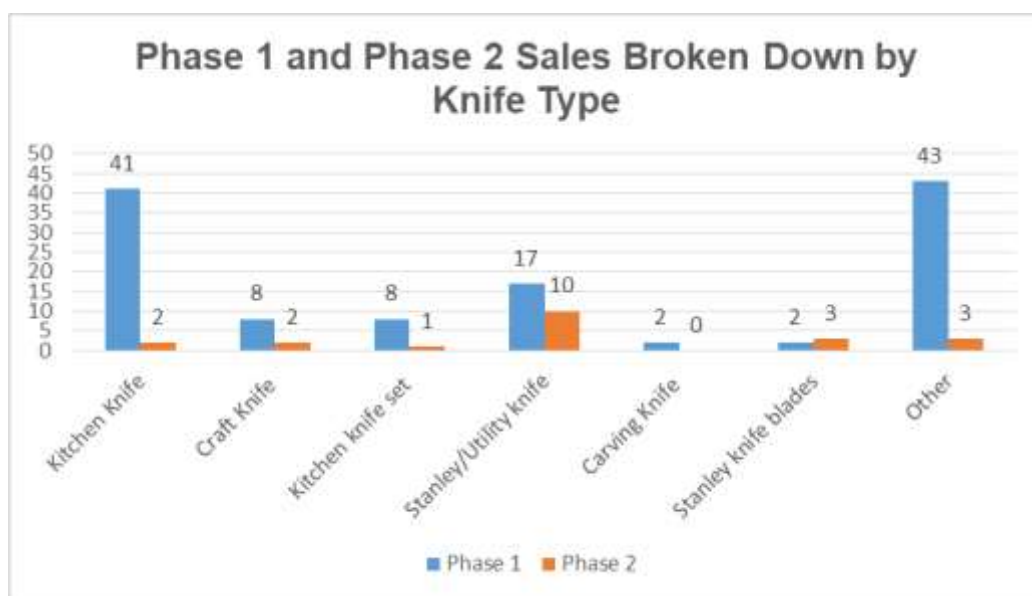


Figure 5

Over the two year period that NTS has been in partnership with the Home Office to deliver this work via local authorities, a total of 19 local authorities have received direct funding for premises based test purchasing with Croydon also receiving funding for a comprehensive online test purchasing programme. The reductions in the proportion of sales as well as the hugely successful online enforcement outcomes indicate that the action being taken is having an impact. The expertise and professionalism of Trading Standards Officers across all these authorities is what has made this possible.

17.7 Plans for 2020/21

The Offensive Weapons Act 2019 is due to be implemented in 2020/21 and changes provisions for online knife sales as well as introducing new provisions for corrosive substance sales.

In December 2019, the NTS Board agreed that it would like to continue to deliver work in this area into 2020-2022. Further discussions are therefore taking place with the Home Office with a view to securing funds for work in relation to both knives and corrosives.

Annex 1 – Detriment Calculations

Detriment figures quoted in the introduction to this report, relating to BEIS funded work, are calculated as the sum of the following

Consumer & Business Detriment avoided through NTS Regional Investigation Team actions.

This is based on the % 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.

Detriment on other NTG supported cases as detailed in referrals/estimated by the prosecuting authority.

Consumer & Business Detriment avoided through NTS Regional E Crime Team actions.

The value to society of unsafe and non-compliant goods taken out of the supply chain.

Calculated at £33.07 per item, based on Matrix report 2014 with inflationary increases based on retail price index.

Total Savings to consumers by the NTS Scams Team: calculated on the methodology recommended by Optimity 2019 report, which is the cumulative value of four interventions.

- i) Interception of payments from victims to criminals
- ii) Interception of scam mails from criminals to targets
- iii) Support that NTS Scams provides to Local TS to identifying scam victims who are provided with returned payments, and information/advice to prevent future victimisation.
- iv) Prevention of fraud through nationwide fraud awareness-raising inc the 'Friends against Scams' programme.

The model uses a 'multiplier' to estimate the financial impact. $(200+70)/500 = 0.54$. 200 represents the average cost of physical/emotional harm borne by victims, 70 is the average cost to health services of responding to fraud, and 500 is the average financial cost of fraud borne by victims (based on Home Office figures in 2018).

For i. – iii. the estimate of non-financial impacts is equal to the estimate of financial benefits multiplied by 0.54. For every £1 of financial benefit to victims, there is, in addition, £0.54 benefit in health-related impacts.

For iv, the estimate of non-financial impacts is equal to the estimate of financial benefits multiplied by 1.58. For every £1 of financial benefit to victims, there is, in addition, £1.58 benefit in other impacts. Based on $(1290-500)/500$. 1290 represents the average cost of fraud and 500 is the average financial cost of fraud borne by victims (based on Home Office figures in 2018)

Financial savings for mailings stopped – for each batch of mails stopped, this is the value of the money 'requested' by the criminal

Prison sentences quoted include both immediate and suspended sentences.

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