



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**MUNICIPAL YEAR 2022-23**

**COMMUNITY SERVICES SCRUTINY COMMITTEE**

**MONDAY 24<sup>TH</sup> OCTOBER 2022**

**ASPECTS OF TRADING STANDARDS WHICH PROTECT THE VULNERABLE**

**REPORT OF THE DIRECTOR OF PUBLIC HEALTH, PROTECTION AND COMMUNITY SERVICES**

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**1. PURPOSE OF THE REPORT**

- 1.1 The purpose of this report is to update the Community Services Scrutiny Committee on those aspects of the Trading Standards role that protect vulnerable consumers; and which are more important during the current cost-of-living crisis.

**2. RECOMMENDATIONS**

It is recommended that Members:

- 2.1 Note the content of this report.
- 2.2 Consider whether they wish to scrutinise in greater depth any matters contained in the report.

**3. BACKGROUND**

- 3.1 Trading Standards has a legal duty and / or powers to enforce legislation which falls within its remit. At present, this relates to around 70 primary Acts of Parliament and around 250 secondary legislation. Broadly speaking, the legislation seeks to protect and support both consumers and genuine traders; and offer sanctions for criminal conduct. The enforcement requirement may be delivered through reactive means, such as responding to complaints, or proactive means, such as carrying out inspections, interventions, sampling and projects.

- 3.2 Increasingly, the work of Trading Standards focuses on ensuring that those who are experiencing vulnerability are not being taken advantage of by unscrupulous traders. Vulnerability is not limited to a characteristic of a person ('situational vulnerability'): it is neither limited to the elderly, nor suggested that all elderly are vulnerable. Consumer vulnerability is fluid and dynamic and consumers can move in and out of periods of vulnerability. Recent studies have focussed on 'market context vulnerability', and the pandemic, the focus on net zero, and the current cost-of-living crisis has increased the number of persons that may be experiencing market context vulnerability.
- 3.3 The pandemic pushed more consumers to purchase online than previously, and there is still a prevalence in markets to maintain online or electronic transactions with consumers, such as cash-less high street businesses and digital only receipts.
- 3.4 The focus on net-zero has brought with it both the opportunity of grants to reduce household carbon footprints and increased descriptions of good sold as sustainable or made with recycled fibres. The terminology used is still new and can be confusing; unscrupulous traders know this and are taking advantage.
- 3.5 Finally, the cost-of-living crisis means consumers are turning to cheaper alternatives, which are often unsafe, unregulated and place a greater risk on the consumer, whilst creating real competition for our local high street traders.

#### **4. UPDATE / CURRENT POSITION**

##### **4.1 SAFEGUARDING AND SCAMS**

- 4.1.1 Since 2016, Trading Standards has carried out a programme of installing call-blocking units into the homes of those that are vulnerable to telephone and other scams. The units were purchased using funds received from Proceeds of Crime. Relevant persons are identified by a number of means, including referral from internal and external partners, such as social services, Alzheimer's UK and Age Cymru; and via events such as talks and fora. Persons are assessed for risk and prioritised for installation. During November 2022, officers will take part in partner events for Safeguarding Week, and this usually generates a new list of names.
- 4.1.2 There are currently 92 of 106 trueCall call blocking units installed around the County Borough, with the aim of protecting vulnerable residents from nuisance and scam phone calls. Since 2016, these units have blocked 121,360 nuisance calls (over 95% of such calls received). The units record that on average those residents receive 28 nuisance calls per month; Ofcom say that the average across the UK is 9 per month. 33% of all incoming calls received by the units are identified as nuisance calls.
- 4.1.3 Recent reviews include one from a long-term user who was diagnosed with an early on-set form of dementia. She stated, "It has been so good for us. We used to be frightened to answer the phone before having it." This demonstrates the difference having the call blocker makes to people answering the phone. For some, it is a lifeline, as they rely on it to communicate with friends and neighbours, something which became so much more important during the isolation of the pandemic. Other quotes include "It's wonderful, scam calls are a distant memory to us now!", "We are so glad to have it. We are not worried about the phone ringing now!", "Quite simply, it has made a huge difference to my day-to-day living, thank you." and "It's been a blessing for me, I feel much safer now."

- 4.1.4 The call blocker installations have already prevented 198 scams and made savings of £1,456,379. Over the operational life of these units they will have blocked 131,517 nuisance calls (of which 36,286 will have been scam phone calls), prevented 214 scams, saved vulnerable households £631,987 and lead to a reduction of £587,029 in public service costs (NHS, social care & police). There will be wellbeing benefits of £195,233 across all users, and for those who would have been scam victims there are quality of life benefits of £359,239. This gives total project benefits of £1,773,488 of which £1,219,016 are direct financial benefits. Estimated financial benefits of £1,219,016 will be achieved with project costs of £26,159 – direct financial savings of 47 times the outlay.
- 4.1.5 Trading Standards works with the National Trading Standards Scams Team (NTSS) to train and empower representatives to become more aware of scam and share their learning where they can. Across the authority area there are 1,671 registered Friends Against Scams, 15 registered SCAMchampions, 82 registered Scam Marshals and 6 registered Scambassadors. Rhondda Cynon Taf has the highest number of Scam Marshals in Wales and is fourth across the UK.
- 4.1.6 A recent initiative is the delivery of Young Friends scam awareness training for 8–12-year-olds which is delivered in partnership with schools. A grand roll-out of this was curtailed by the pandemic, so at present one English speaking school has piloted, and arrangements are in place with one Welsh school for a Welsh pilot. Thirty-three Year 6 pupils learned about scams and how to keep safe, with the teacher linking it to the current curriculum theme of ‘enterprise’ where pupils learn about handling money and budgets, and how to prioritise spending. The teacher provided feedback that looking at documents (based on real scams received) and highlighting the indicators that these were scams prompted great discussion. Pupil feedback included: "I enjoyed the lesson, it helped me understand more about scamming and I can help explain things to my parents", "I learned that I need to be careful on random websites", "I learned that I need to be more aware of websites as some may be scams" and "I think the resources were clear and precise about scams. I think they are good materials for teaching us about scams."
- 4.1.7 During the Spring, an operation by NTSS and departments in the USA led to recovery of an amount of funds that has been posted by consumers in response to scams. During September and October, officers have been visiting those consumers, returning funds, providing advice and installing call blocking units. In total, £2,314.25 was recovered and returned to residents of Rhondda Cynon Taf. In addition to this, the officers receive ongoing refunds for identified ‘Category 1 scam victims’: one lady in Aberdare received funds which related to four cheques, totalling £210 and one lady in Pontypridd received £50.
- 4.1.8 Trading Standards continues to share timely information about current scams via the Trading Standards Facebook presence. 24 local and national scams have been shared on the Trading Standards Facebook page so far this year, these have been wide-ranging and have included topics such as suspicious doorstep callers, fake energy supplier emails and messaging service scams, to name a few. The most impactful posts this year were our warnings about traders selling potentially dangerous items door-to-door and scam calls targeting lifeline users in RCT. These posts were shared 278 and 310

times respectively, with commenters on the doorstep scam post also offering further information on where and how these traders were operating. We have identified some interesting audience insights to our posts: Over 70% of the page followers are women and the biggest sub-section of those are in the 35-44 age group. The vast majority are also located somewhere in the Rhondda, with the biggest locations after that being Pontypridd and Aberdare. This helps us identify where we may have a gap and consider how to close it. Social media and messaging platforms are always changing, and a challenge to Trading Standards is both reaching consumers to provide warnings and information, and being able to contact businesses trading across social media to advise them on compliance to support them to be successful.

## 4.2 VAPES AND ILLEGAL TOBACCO

- 4.2.1 Vapes are a growing area of concern for Trading Standards. Traders are not aware of the capacity labelling and registration requirements of the products, current age restrictions only relate to those that contain nicotine although best practice is that no underage sales take place and there are many unsafe products on the market. Within Rhondda Cynon Taf, there are 50 premises selling vapes, and this is on the increase.
- 4.2.2 Vapes are used by persons trying to quit smoking, but are also popular with youngsters so conversely can end up being a way into smoking, especially if they purchase vapes containing nicotine.
- 4.2.3 Over an 8-month period, a trade audit was carried out at these premises. There was a 74% failure rate recorded: being defined as a significant breach of one or more pieces of Trading Standards legislation. The majority related to incorrect labelling, which could further indicate unsafe product. 1,640 products were voluntarily surrendered, the business owners were provided with advice, and revisits to check for compliance were subsequently carried out. No further breaches have been identified. The coordinating officer has since provided some simple guidance notes and forms for officers to use on inspection or when responding to complaints.
- 4.2.4 The last three years has seen a rise of the availability of illegal tobacco within Rhondda Cynon Taf. Smokers may seek this out as a way of curbing costs, but cheaper products also entice underage smoking. More worryingly, there are clear links to organised crime, safeguarding and attracting the young to county lines activity. As genuine businesses have left the high street during the pandemic, landlords have vacant premises with no income. All authorities along the M4 corridor have experienced persons originating from Gloucester through to Birmingham rent local properties as a front for supplying illegal tobacco. Shops are often identified by a limited amount of stock on the shelves, leaving one to wonder about the viability of the premises. Covert test purchases and nationally coordinated activity with South Wales Police and tobacco detection dogs ('Operation Cece') has led to the discovery of a series of concealments where the products are stored within shops.
- 4.2.5 Since April 2020, there have been 15 prosecutions of this type within Rhondda Cynon Taf. Analysis of the seized cigarettes often reveals that they fail the propensity test; this means that the cigarette will not self-extinguish if left unguarded, resulting in a real safety risk for consumers. Unfortunately, the fines awarded at court are insufficient to curb the activity, so other means of disrupting the supply has been instituted. Landlords have been contacted and advised about the risks of renting to businesses that operate

illegally, and more recently work is progressing on the use of anti-social behaviour related legislation to permanently close the premises once a criminal offence is identified. This has been used with some success in other authorities.

### **4.3 ANTI-COUNTERFEITING**

- 4.3.1 Those experiencing financial vulnerability may not be willing victims of counterfeiting: purchasing from whom they believe is just a cheaper supplier, they may be inadvertently purchasing counterfeit and unsafe items.
- 4.3.2 Anti-counterfeiting no longer consists of poor standard music or clothing. The purchase of counterfeit items undermines honest traders within the County Borough, and even those 'willing victims' who know the item they are purchasing is counterfeit may not have considered other inherent risks: increasingly there is a safety aspect involved with the supply of counterfeit cosmetics, electrical items, toys and car parts.
- 4.3.3 In addition to responding to consumer complaints, Trading Standards monitors social media for sales of counterfeit goods, and is involved in national multi-agency operations which may result in website 'take-downs' as well as investigation and resolution in courts. Appropriate, court-approved and audited surveillance activity may be used to corroborate intelligence of anti-counterfeiting activity, which will lead to warrants of execution, investigation and prosecution where necessary. As we head towards the Christmas period, we know activity in this area will increase.

### **4.4 SUPPORTING BUSINESS**

- 4.4.1 Integral to supporting the vulnerable is ensuring that businesses within Rhondda Cynon Taf know their legal requirements and are operating legally. Being aware of how the cost-of-living crisis is affecting businesses is key to being able to support them. This work is varied, but two such examples are provided below.
- 4.4.2 Food businesses may be reformulating their recipes or using different suppliers for their raw materials in order to save costs. Both these activities have an impact on the labelling of the finished products, including allergen labelling, for example some satay sauce may contain crustacean, whereas another may not. The implications in getting allergen labelling wrong can be catastrophic. Officers have been working with business to ensure their labels are accurate for allergens: this work may include review of labels against recipes and product specification, through to product sampling. To help with this, a suite of 14 language resources are available, after being developed by Caerphilly Trading Standards and funded by Trading Standards Wales and the Food Standards Agency.
- 4.4.3 Recycling of products is increasing, but often businesses or charities are unaware of legal restrictions that may exist in relation to second hand supply of goods. Officers have good relationships with charity shops in the County Borough, and have also provided advice to suppliers such as 'The Shed'.

## **5. EQUALITY AND DIVERSITY IMPLICATIONS/SOCIO-ECONOMIC DUTY**

- 5.1 There are no negative or adverse equality or diversity implications associated with this report.

## **6. WELSH LANGUAGE IMPLICATIONS**

- 6.1 There are no Welsh language implications arising from this report. Media messaging, contracts for TrueCall units, learning resources for Young Friends and other associated service delivery documents are all available in English, Welsh or Bilingual. The two schools selected for initial Young Friends rollout are one English and one Welsh speaking school.

## **7. CONSULTATION/INVOLVEMENT**

- 7.1 There are no consultation implications aligned to this report.

## **8. FINANCIAL IMPLICATIONS**

- 8.1 There are no negative financial implications aligned to this report.
- 8.2 The legal duties and powers placed on Trading Standards are met through the current structure, and new challenges will continue to be met through pending service redesign which will also release some funds for financial savings within authority.

## **9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED**

- 9.1 There are no legal implications associated with this report.

## **10. LINKS TO THE COUNCILS CORPORATE PLAN/OTHER CORPORATE PRIORITIES/WELLBEING OF FUTURE GENERATIONS ACT**

- 10.1 The aspects of Trading Standards that feature in this report fit into all three areas of the Corporate Plan, namely ensuring PEOPLE are independent and healthy, creating PLACES where people are proud to live and work, and enabling PROSPERITY for people and business to fulfil their potential and prosper.
- 10.2 These also meet five of the seven Well-being Goals under the Well-being of Future Generations Act, namely a Prosperous Wales, a Resilient Wales, a Healthier Wales, a More Equal Wales and a Globally Responsible Wales.

## **11. CONCLUSION**

- 11.1 Trading Standards has an important role in protecting vulnerable persons and disadvantaged communities. Trading Standards no longer has to simply keep up to date with changes in legislation, but changes in tactics used by unscrupulous traders. Officers individually, and the team as a whole, are continually innovating and searching for new ways of operating which will provide the best outcome to support both reputable traders and the consumers of Rhondda Cynon Taf.
- 11.2 When consumers are confident that they are protected, they are confident in purchasing from their local traders, which in turn feeds into stimulation of the local economy and supporting our local businesses.