



TRADING STANDARDS SCOTLAND

Report to the Department of Business, Environment
& Industrial Strategy

Annual Report 2019/20



COSLA
HOME OF
TRADING STANDARDS
SCOTLAND



Contents

1. Introduction.....	3
2. Infographic Summary.....	4
3. Team Structure 2019/20.....	5
4. Governance.....	6
5. Business Plan 2020/21.....	7
Improvement Objectives	8
National Priorities	9
Resources for Local Authorities	12
6. KPIs 2019/20.....	13
7. Featured Work.....	16
8. Strategic Developments.....	23
9. Finance.....	25
10. Future Developments for 2020/21.....	27
11. Staffing Structure 2020/21.....	28
12. Glossary.....	29

1

Introduction

This report provides a summary of the work undertaken by Trading Standards Scotland during the financial year 2019/20.

The report summarises the work done under the objectives set for the year and performance against the KPIs that were agreed with BEIS.

The TSS team also incorporates the Scottish Illegal Money Lending Unit. This work stream is funded by HMT and is reported on separately however the business plan refers to work done under both grant streams.

The report goes on to look in more detail at strategic developments, featured pieces of work and how the team are planning for the future.



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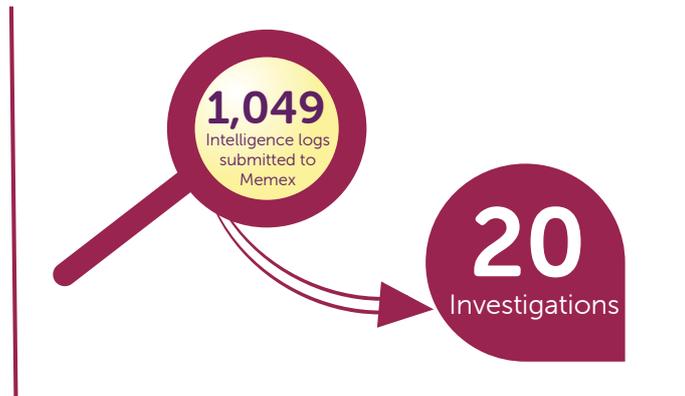
Infographic Summary

This infographic gives a detailed overview of the team's work in 2019/20. A more detailed infographic showing the impact of TSS operations concluded since the establishment of the team in 2014 can be viewed [here](#).

Overview of Our Work in 2019-20

Our National Enforcement Priorities

- Illicit Puppy Trade
- Counterfeit Goods
- Mobility aids
- Misleading Energy Marketing
- Secondary Ticket Sales
- Doorstep Crime
- IPTV (Illicit Streaming)

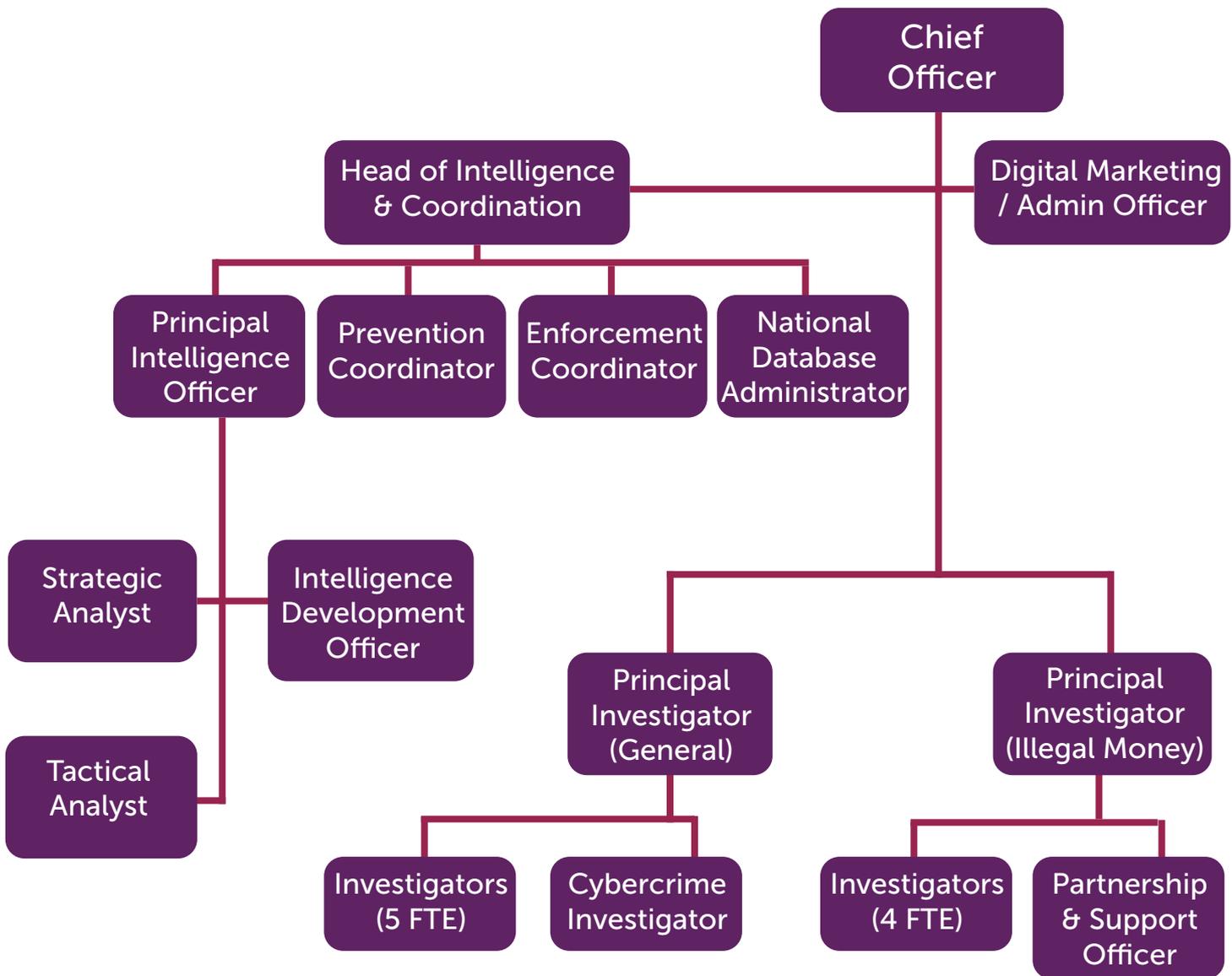


- Shut Out Scammers**
£2,094,932 of detriment prevented
- TruCall Call Blocking Project**
£2,260,967 of detriment prevented
- Scams Awareness Campaign & Scam Share**
£3,612,966 of detriment prevented
- Online Illicit Trade**
£19,136 of detriment prevented
- Project Redpath (Illicit Puppy Trade)**
£165,168 of detriment prevented
- Project Utopia (Secondary Ticketing)**
£1,250 fine issued

3

Team Structure

The diagram below shows the current structure of TSS:



The TSS team continue to report to a politically led governance board which includes representatives from all the main political groups in Scotland. The Board is chaired by Cllr Kelly Parry.

The Board also invites representatives from a number of partner organisations including the Society of Chief Trading Standards Officers in Scotland, Scottish Government, Citizens Advice Scotland and BEIS.

The Board meets on a quarterly basis to scrutinise performance and budgets. It is also responsible for agreeing the annual business plan for the team.

The Board is constituted as follows:-

- Chair
- 2 SNP representatives
- 2 Labour representatives
- 2 Conservative representatives
- 1 Liberal Democrat representative
- 1 Green representative and
- 1 Independent group representative



The business plan for 2019/20 was developed through the Trading Standards Governance Board and agreed with BEIS. The plan detailed the team's objectives for 2019/20 and outlined the key performance indicators as agreed with BEIS.

The Business Plan for 19/20 identified a number of improvement objectives for the team as well as giving details of national priorities and how the team intended to tackle them over the year. The Business Plan also contains details of the resources being made available to local authority trading standards services through the national team.

Further information on each of these areas is given below. We have also now ensured that the outcomes that the team seek to achieve are linked to the Scottish National Performance Framework.

National Performance Framework Our Purpose, Values and National Outcomes



Improvement Objectives

Intelligence

work to establish data protection compliant framework



Throughout the year TSS and COSLA have sought to put in place an underlying authorisation framework for the team that will resolve issues with data sharing. The likely move to a different intelligence database over the same period means that a different solution has become possible and work is now underway to put that in place.

Cyber Investigations

continue to offer training and support on cyber investigations to local authorities



The team have worked with a number of local authorities over the year to provide specific and tailored support to their cyber investigations. In house training has also been developed to ensure the levels of skill in this area across the team.

Enterprise Act 2002

continue to support action under this legislation and develop and share best practice



TSS as a team is increasingly making use of the Enterprise Act 2002 when tackling problematic trading practices. This developing expertise puts the team in an ideal position to share best practice and support local authority work in this area. Operation Nit, detailed at Section 7 of this report, demonstrates the advantages of using this type of intervention with limited companies who repeatedly phoenix.

Evaluation of Detriment

improve the ways in which detriment is evaluated across all 3 work streams of intelligence, enforcement and prevention



TSS continues to refine and develop the ways in which it measures detriment and has introduced an infographic in order that this can be presented in a digestible format. An infographic on the team's impact on detriment is included at the start of this report.

Competency Framework

introduce a competency framework to ensure the continuous professional development of all team members



A bespoke framework has been developed by the team with CTSI supporting this work and recognising the training as counting towards continuous professional development hours.

Social Media & Web Content

improve social media presence and revamp the TSS website



TSS has chosen to invest in professionalising its social media and digital content by employing an experienced digital marketing officer. Over the last year the website has been completely refreshed and social media feeds have been transformed resulting in increased engagement across all channels.

Changes to Consumer Advice Portal

1st April 2019 saw a change in consumer advice provision in Scotland with Advice Direct Scotland taking over this role



TSS has developed a close and productive relationship with ADS over the year. ADS reflect TSS prevention campaigns on their website and have worked with TSS to develop a reporting portal for vets who have concerns about the welfare of puppies.

National Priorities

Brexit Related Consumer Issues



TSS undertook to proactively monitor consumer issues should there be a sudden exit from the EU and a subsequent increase in scams and consumer detriment as a result.

Whilst the “no deal” scenario did not transpire TSS worked with others from the CPP across the year to monitor Brexit related consumer issues and devise appropriate responses. TSS continues to do this work in the run up to the end of the transition period.

Marketing of Energy Efficiency Products



TSS recognises the consumer confusion on available grant funding for the installation of energy efficiency products and undertook to develop a project with local authorities to monitor pop up adverts on social media making false or misleading claims about the availability of government funding.

The anticipated outcomes of the project were:-

- Identification of the current state of the market for misleading energy efficiency adverts and lead generation;
- Directly challenging and addressing non-compliance;
- Review effectiveness of takedown methods;
- Practical use of e-crime techniques taught at the TSS e-crime workshops

The project itself was scheduled to take place in Q4 of 2019/20 with 13 local authorities having agreed to take part. Unfortunately due to the outbreak of Covid-19 and resources being directed elsewhere only 4 of the participating local authorities provided updates. 5 warnings were issued by local authorities as a result of the project.

TSS also produced a report on [Consumer Protection in the Energy Efficiency and Renewables Sector](#). The report provides an overview of government policy and assesses how it is unintentionally enabling trading malpractice and consumer detriment. It also seeks to identify current vulnerabilities in the consumer journey and suggest improvements to the government schemes set up to inform and protect consumers as they seek to improve the energy efficiency of their homes and reduce energy costs. The team are now working with CAS to promote the report.

This is also an area where the team have ongoing criminal investigations not only in terms of the sale and supply of these products but also in relation to lead generation.

Itinerant Doorstep Crime



This is a particularly difficult area in terms of effective investigation and enforcement and this year TSS focused on deploying disruption tactics as an alternative to criminal proceedings.

A major part of this approach has been the Shut Out Scammers campaign run in conjunction with Police Scotland and a number of other partners with over £2million of detriment being prevented. TSS involvement in this campaign over the year is covered in more detail in Section 7: Featured Work.

Mobility Aids



Having investigated a number of cases in this area over the past few years TSS undertook to review the work to date to establish whether a common source of data could be identified.

A problem profile for this area has been developed which in addition examines the issues that have occurred around previous investigations in relation to suitability of witnesses and difficulties with getting cases to court. The learning from this will be used to tailor future approaches to issues in this sector in order that the team have more impact in preventing detriment. No common source of data could be identified but there are continuing issues with trading malpractice in this sector.

Sales of Counterfeit Goods on Social Media



Building on previous work TSS undertook to conduct coordinated action in the run up to Christmas.

Throughout the year, but with a particular focus on the festive period, TSS worked further in partnership with Scottish local authorities and partner agencies to both detect and disrupt the sale of counterfeit

goods. Intelligence assistance was provided on a routine basis and included work culminating in the execution of warrants in the Lanarkshire and Falkirk areas, where quantities of counterfeit goods and cash were seized. TSS itself also progressed an intelligence led case directly over the festive period, resulting in the execution of a warrant in the Glasgow area in December, whereby a quantity of counterfeit clothing, makeup and accessories, valued at circa £13,000, was seized. Major changes were made to prevention messaging in this area over the course of the year and further information on the innovative approach undertaken is provided in Section 7 at page 20.

The assessed annual turnover of the businesses encountered in the pre-Christmas work alone exceeded £250,000, including one producer of counterfeit goods, and their reach extended across the UK. While criminal outcomes are awaited in terms of the intellectual property offences uncovered, TSS has also engaged with partners wherever appropriate, particularly HMRC and DWP, to ensure pertinent information was also available to them for further action.

Secondary Ticketing



TSS and the SCOTSS Fair Trading Group coordinated a programme of national enforcement in relation to sellers of secondary tickets. This provided an opportunity for trading standards to exercise its new fining powers under the Consumer Rights Act 2015 in relation to the secondary ticket market.

The culmination of this project saw the first successful use of the civil fining provisions under the CRA.

Illicit Trade in Puppies



TSS's focus is on disrupting the supply chain by tackling false/ misleading adverts for farmed puppies which suggest that they have been home reared.

This year TSS produced a problem profile on this area in order to harness the various other bodies with an interest in this area and take forward a multi-agency approach. As part of this work it was identified that vets could be a key source of intelligence but that they had nowhere to report. TSS worked with ADS and the British Veterinary Association to develop an online portal where vets could report their concerns, this went live in Q4 of 1920.

TSS continues to investigate breaches of consumer legislation in this area and a case which has been reported to the Crown has now been marked to go forward on indictment. This is also an area where TSS continues to develop prevention messaging.

IPTV



A number of issues exist around the illicit streaming of internet protocol tv with both businesses and consumers being affected by this practice. TSS has conducted two large scale investigations in this area where licensed premises were unknowingly subscribing to illicit streams. The first of these cases has now been marked to go on indictment and is covered in further detail in Section 7 of this report.

TSS also coordinated a project with local authorities to identify problematic IPTV providers. As a result of this project 2 warnings were issued and there were 8 takedowns.

Resources for Local Authority Trading Standards Services

Call blocking devices

As well as protecting individuals call blockers are a valuable source of intelligence as they record the numbers they block. This data is procured by TSS and analysed to identify traders that are using unsolicited calls to perpetrate trading malpractice. TSS shares this analysis with local authority trading standards on a monthly basis. Towards the end of 19/20 TSS procured a further 100 call blocking units with the aim of distributing them as part of the Shut Out Scammers Campaign in March. Unfortunately the distribution has had to be postponed due to the coronavirus outbreak and the current restrictions.

Scams Victim Data

TSS continue to pay for the Scottish local authorities to access the Compass Database operated by the NTS Scams Team. Over the course of 19/20 TSS worked with the Improvement Service to evaluate the outcomes that were being achieved through accessing the database. At this stage the evaluation is inconclusive due to a lack of data and TSS will continue to fund access into 20/21.

Enterprise Act Match Funding

TSS maintain a fund for the use of local authorities seeking to take action under the Act who would otherwise be prevented from doing so due to a lack of finance locally.

Intelligence Database

TSS ensures that all local authorities have free access to the Memex database.

The quantitative KPIs for the operational team, as agreed with BEIS, are detailed below at Table 1.

Further information on each area is provided to give some understanding of the background to how the numbers are collected. It is important to note that, whilst it is invaluable to reflect some of the enforcement work through quantitative data, it is also important to attempt to measure the work through narrative in relation to outcome and impact. Narratives around the work of the team are provided in Section 7 of this report. Figures for 2017/18 are included for comparative purposes: there were however some changes to the KPIs, so comparative data has not been included for them.

Enforcement KPIs

- **Number of operations commenced** – this data refers to an initial investigation which has developed into a full blown operation requiring significant resource and backed up by a need for surveillance, or where witness statements have been obtained and progress is likely to be made towards an enforcement intervention. In general operations are allocated to the team through the tactical tasking process although where something is time critical there is a process to approve work out with the tasking cycle. This KPI is further broken down into two different work strands of the operational team – general and cyber.
- **Number of reports submitted to the Procurator Fiscal** – this refers to cases which have been submitted to the Crown for a decision on how to proceed. The Fiscal may decide to prosecute, issue a Fiscal’s fine or mark the case as no further proceedings. These decisions will be made based on public interest and sufficiency of evidence.
- **Number of cases submitted for Part 8 Undertakings** – this is the number of cases where the team have sought for civil undertakings to be put in place. As the team are not designated general enforcers under the Act this requires to be done through local authority services and their legal teams.
- **Number of consumers affected** – this is a count of the number of consumers who have been directly affected by the criminal activity and will consist of actual identifiable individuals who have suffered detriment from trading malpractice.
- **Value of goods seized** – in general only investigations of illicit goods or unsafe products are likely to result in goods being seized where the value is of significance.

- **Overall financial detriment** in relation to cases undertaken/contributed to.
- **Number of suspected victims** – an estimate, based on an assessment of the business and witness statements obtained, of the amount of consumers who suffered detriment or harm as a result of the actions of the companies or individuals under investigation.
- **Number of enforcement outcomes undertaken in partnership with local authority trading standards teams and/or other enforcement agencies.**
- **Number of training events undertaken for local authority Trading Standards services to improve enforcement capability.**

Intelligence KPIs

- **Number of intelligence logs** – the number of discrete logs placed on to the Scottish trading standards server of the Memex database.
- **Number of analytical products** – information packages produced as a result of analysis of the data held includes problem profiles and network charts.
- **Number of training events** – the number of training sessions held in relation to the database and intelligence input and use.
- **Number of intelligence requirements issued and responded to.**
- **Number of intelligence development cases.**
- **% of enforcement cases which are self-referred from intelligence team.**
- **Number of intelligence packages developed for local authority operations (cybercrime/other).**

Prevention KPIs

- **Consumers/businesses reached in preventative campaigns: online, printed media, radio/TV.**
- **Estimate of consumer detriment prevented.**

Enforcement

KPI	19/20	18/19
Operations commenced in the period, broken into separate activity strands:		
General	10	8
Cyber	9	10
Total	19	18
Reports submitted to the Procurator Fiscal	8	10
Cases submitted for Part 8 Undertaking under the Enterprise Act 2002	4	4
Cases referred for POCA investigations (Police Function)	3	n/a
Cases referred to Civil Recovery Unit	3	n/a
Cases referred to other enforcement agencies	2	n/a
Enforcement outcomes undertaken in partnership with local authority trading standards teams and/or other enforcement agencies	31	19
Number of training events undertaken for local authority Trading Standards services to improve enforcement capability	5	5

Intelligence

KPI	19/20	18/19
Intelligence logs created by TSS	1,049	n/a
Analytical products created in the period	106	94
Intelligence development cases commenced	20	23
Intelligence packages developed for local authority operations (cybercrime/other)	2	6

Prevention

KPI	19/20	18/19
Consumers/businesses reached in preventative campaigns: online, printed media, radio/TV	951,961	109,662

In this section further detail is provided on particular pieces of work undertaken by the team.

Operation Nit



A problematic double glazing company was referred to TSS by a local authority following the receipt of a significant amount of complaints. There was a clear history of phoenix companies being used to avoid liabilities by those behind the company being referred, clearly to the detriment of consumers.

Complaints identified issues across all aspects of the business and were both civil and criminal in nature. Consumers were being misled, misinformed and pressured. There were issues with the standard of both goods and services provided by the company: products provided were often not as described, not of satisfactory quality or installed incorrectly. A key issue was services not being carried out on agreed dates or undertaken within the agreed timeframe. Contracts were being concluded within consumers' homes, but often legally required information was not provided to consumers. This included cancellation rights under the main contract and cancellations rights under finance contracts brokered by the company.

The referral was accepted and a joint enforcement approach was agreed between the Local Authority and TSS, with action to be pursued under the Enterprise Act 2002.

Initial contact was made with complainers to discuss their issues and witness statements were then taken, along with productions. Statements confirmed the chaotic business practices and overlap between companies.

The business used various trading names, and during the investigation it changed the company name through Companies House, before going into liquidation. A new phoenix company was established and continued to trade with the last trade name used by the previous company. Markers were placed on Companies House in respect of the companies and directors. There has been effective collaboration through information sharing with the liquidator of the company, which has benefited both parties' respective investigations and helped preparations for consultation under the Enterprise Act. Additionally, information has also been passed to the Insolvency Service through the liquidator.

Individuals who had a 'special relationship' with the company, in terms of the Enterprise Act, were identified and complex consultation was undertaken with nine people. Six people have signed voluntary Undertakings: three directors, two managers and an accessory. Three people have suggested that they would not defend an

application for an Enforcement Order against them: a director, a de-facto director and a senior manager. Applications to the court for an enforcement order against each are expected to be made in due course.

£270k
estimated detriment

The estimated detriment in relation to this case is £270,000

Operation Thistle



This investigation concerns the sale of IPTV subscriptions to licensed premises across the country. The subscription and the equipment provided allowed the licensed premises to show a variety of sports at a vastly reduced fee than if they had paid for a legitimate subscription. The ability to show a wide range of sport undoubtedly has an effect on the amount of customers premises can attract.

The offences under consideration were contrary to legislation within the Copyright, Design and Patents Act 1988 sections 107 and /or 296 and the Trade Marks Act 1994.

It was assessed that the sports 'packages' were provided over a number of years dating from 2014 to licensed premises believed to exceed several hundred in number across Scotland.

In order to manage the investigation, three commercial licensed premises from different areas of Scotland were selected to form the basis of the report being prepared for the Procurator Fiscal. None of these premises were current subscribers but had used the service in the past; this made it easier to approach the licensees to provide witness statements. The service provided by the company under investigation included the supply and fitting of a set top box. These boxes can be purchased generally from reputable suppliers but these boxes had been pre-coded to enable visual and audio access to the sport channels that are only authorised for broadcasting by the legitimate relevant stakeholders e.g. SKY, BT and foreign broadcasters. It is unknown precisely by whom or where the pre-coding occurred and it is possible that the boxes were imported 'code ready' from overseas.

Those stakeholders pay a significant fee to the product owner e.g. Football Association Premier League and Scottish Professional Football League to legitimately broadcast football matches. The legitimate broadcasters will consequently recoup their outlay by charging subscription fees to domestic and commercial clients. Other stakeholders will include advertisers and sponsors and their brands are also protected within the terms of the legitimate broadcasts.

This case has been reported to the Procurator Fiscal and has been marked to be taken on indictment. TSS assesses that 70 pubs across Scotland were subscribing between 2014 and 2019 and **the potential detriment, based upon similar calculations for the 3 pubs mentioned, is £1,880,759-77 plus VAT @ %20 which equates to a total potential revenue loss to BT and SKY of £2,256,912.** The team are still working on accessing the wider detriment associated with this practice in terms of damage to other nearby businesses.

£2.26M
potential detriment

Operation Tod



This was an investigation into an individual selling counterfeit goods on a social media site. The investigation involved covert internet investigation techniques which resulted in a test purchase and a subsequent warrant application and execution.

During the search of the premises a variety of counterfeit goods were recovered with a variety of trade mark infringements.

Examination by brand representatives put the value of the goods recovered at £250,000.

The case was duly reported to the Fiscal and in December 2019 the accused was sentenced to 120 days imprisonment. This was a reduction in sentence in recognition of the information that the accused had provided to TSS to assist in identifying suppliers further up the chain.

£250k
worth of goods
recovered

This is a significant result for TSS in securing a term of imprisonment. The learning from this case will be fed back in to future investigations.

Operation Cherry



This was another investigation which concerned the online sales of counterfeit goods. This investigation is a good example of partnership working including brand representatives, Border Force and Police Scotland. The case required significant intelligence development and financial enquiries. The team received the ACG Departmental Award for Excellence for this investigation.

Following on from a covert internet investigation the subject was identified and traced to an address in the West of Scotland and it was established that on average 15 large consignments were being imported every 6 months, from various addresses in China. The subject actively sought to avoid detection; using false names and addresses, and selling through multiple online accounts. Warrants were then applied for and executed. A significant number of counterfeit football-tops were recovered, including items recovered from the subject's vehicle, and business address which were being prepared for dispatch. Evidential financial investigation was undertaken with several bank accounts being identified which established a trading pattern over several years with significant funds being moved through the accounts.

An assessment of the number of sales made on the online platform showed that over a 12 month period 390 consumers had made purchases. Normally it can be assumed that the purchaser of counterfeit goods is aware of what they are buying, however in this case the quality and the price of the goods, together with the exact packaging suggests consumers thought that they had been sold a genuine item.

Following the search of the subjects address 659 football tops were recovered with a retail value of over £40,000. An analysis of the subject's bank accounts has identified illegal earnings of over £68,000.

The case was reported to the Crown and is now being taken on indictment. A referral was also made to Police Scotland for Proceeds of Crime Act action.

£40k

worth of goods recovered

Operation Utopia



This project was undertaken in conjunction with the SCOTSS Fair Trading Group with the aim to uncover the current state of compliance in the secondary ticketing market in Scotland, and therefore the effectiveness of current legislation in dealing with this issue.

This project was initially delayed whilst an appeals process was put in place for the civil penalty notices.

Participating authorities were allocated high profile events taking place in Scotland, for which tickets had either sold out already or were likely to sell out.

The authorities then inspected listings for the resale of tickets for the events they had been allocated, assessing same in particular against the requirements of s.90 of the Consumer Rights Act 2015.

Inspections were made by authorities, for each event they had been allocated, across the secondary ticketing platforms – StubHub, ViaGoGo, Ticketmaster (replacing GetMeIn! and Seatwave), along with eBay and Gumtree.

Where non-compliance with s.90 CRA was found, in order to evidence the existence of a breach for the purposes of issuing a financial penalty, a test purchase was made. Trading Standards Scotland provided limited funding to reimburse the costs of test purchases as part of the project.

As a result of this project and the test purchases made one sale was identified as justifying the issue of a civil penalty. **TSS worked with East Ayrshire Council on this issue which resulted in the issuing of a fine of £1250.** The seller did not contest the fine and this became the first successful fine to be issued under the CRA.

£1,250

fine issued

The tickets that were purchased were given away as part of a competition on social media. The competition increased the social media following and reach of the team.

TSS also continues to work closely with the CMA on the issue of secondary ticketing and it has been maintained as a national priority for this purpose.

Shut Out Scammers



Shut Out Scammers is delivered in partnership with Police Scotland and this year the partnership was extended to include Neighbourhood Watch, ADS and Scottish Fire and Rescue. This partnership work ensures that there is consistent branding and messaging across Scotland in relation to scams and in particular doorstep crime. Importantly it gives clear advice to consumers on where to report scams in Scotland.

The campaign runs twice a year with the aim of providing consumers with the information they need to empower them and prevent them being the subject of scams. For TSS however, the messaging is business as usual and is regularly put out over the team's social media channels.

For the second planned iteration of the campaign due to launch at the end of March 2020 TSS had committed resources to pay for leaflets and door stickers for the week of action. The team also procured more call blockers to prevent unsolicited phone calls which can be the precursor for a home visit by unscrupulous traders. Unfortunately with the coronavirus outbreak and subsequent restrictions plans for Shut Out Scammers had to be largely shelved although TSS continued to use social media channels for relevant messaging. The distribution of the call blocking units was also delayed. The TSS team quickly adapted their messaging to cover the scams that were emerging as part of the current situation and the resulting output is covered in detail below under Operation Urr.

Project Jasper



Through this work, TSS uncovered instances of individuals selling counterfeit clothing to fund lavish "Instagram" lifestyles, including frequent foreign travel and the purchase of genuine designer articles for themselves. Individuals, operating businesses of significant scale, were assessed to not only be evading tax on that income but some were also believed to be claiming unemployment benefits at the same time.

On the execution of one warrant, goods were found to be stored in such unsavoury conditions that, had consumers known this, they would likely have been far less willing to make a purchase. Cases also continued to demonstrate the links between individuals involved in intellectual property crime, and other forms of organised criminality. These experiences were used to inform public awareness campaigns run by TSS, to expose the true nature of this trade.

For the 2019 Festive Campaign on Online Counterfeit Goods, TSS made the decision to refocus their messaging based on the information above. TSS amended messaging to make it more personal to the consumer and how their consumption of counterfeit goods actually allows the sellers to purchase the real thing. Moving

away from previous messaging highlighting the execution of warrants and seizures, TSS sought to make any postings via Facebook, Twitter or Instagram resonate more with consumers actually buying the goods and make them think twice about the purchase. A two pronged approach was taken and considered clothes/cosmetics and children's toys. The messaging developed also drew on product safety, urging consumers to think twice about the effect the goods would have on them.

In order to facilitate this, the following hashtags were created:

- **Cosmetics/clothes: #CheapsExpensive #GlamScam #BuyReal**
- **Children's toys: #Snowfakes #ElfAndSafety**

The hashtags were used to support the campaign messaging and a sample of post content is detailed below:

1. All toys made in Santa's workshop meet #ElfAndSafety standards. Make sure there are no fakes in this year's stockings – counterfeit toys are usually poor quality and can contain dangerous materials. Avoid #Snowfakes
2. #Frozen2 merchandise will be top of lots of Christmas lists this year, which means there'll be lots of #Snowfakes floating about. While genuine toys are all made to meet the same high standards, Snowfakes are unique – you don't know what chemicals and materials are in them. You can check whether toys listed on eBay are genuine through Vistalworks.
3. Everyone loves a festive bargain, but don't let counterfeit makeup and perfume ruin your night out. You don't know what chemicals they contain and you could end staying in with an allergic reaction rather than dancing the night away. Check out Vistalworks' latest blog about the dangers of fake eyelash glue #CheapsExpensive
4. When you buy counterfeit goods you're helping to fund a glamorous lifestyle for the seller. You buy fake so that they can afford to buy the genuine brands. Avoid a festive #GlamScam
5. Overwhelmed by festive bargains? Be careful when buying hair dryers, straighteners or curlers through online marketplaces – you don't want to miss the party season because your hair's been ruined by products which don't meet UK safety standards. #CheapsExpensive

Operation Urr - Covid-19 response work



TSS in their duty to strengthen consumer protection for Scottish consumers have a role in collating, signposting and disseminating significant information and guidance to LATSS, partners and key information providers in respect of scams and consumer protection.

TSS has created a dedicated Coronavirus webpage which provides crucial information, guidance and signposting during this outbreak. This page seeks to deliver the most factual and up to date information on this issue and has five key areas where

TSS will provide factual information on the Covid-19 outbreak. The five sections include Covid Scams, Helping Hands, Community Links and Trusted Information, There is also a section which provides guidance on how to avoid becoming a victim of a Loan Shark during this unprecedented time.

TSS has developed a 'Scam Share' bulletin which is disseminated weekly to all LATSS, all elected members in Scotland, partners and third party organisations. The bulletin provides information on scams currently being reported around Covid-19. It has been well received with the first edition being opened by over 1000 readers. TSS staff will continue to collate and gather intelligence from which the team will create the weekly bulletin in order to keep abreast of the evolving situation.

As a consequence of its repository of up to date scams information, **Trading Standards Scotland is now recognised by Scottish Government as a leading provider of factual information and guidance around Covid-19 in Scotland.** It has been listed on the Scottish Government Cyber Resilience Unit's webpage as an authoritative source of information on cyber related scams and organisations in Scotland are being urged to use it for information on Covid-19.

6.1 Marketing Developments

In order to improve the reach and impact of the messaging produced by the team TSS have employed a Digital Marketing Officer. This has led to the marked improvement in the messaging that the team can design and deliver. The TSS website has been redesigned and relaunched over the course of the year and is now more user friendly. The team continue to look at how the website can be improved particularly in terms of accessibility and ensuring that information is relevant, up to date and that there are useful links to other partners. The new website is available at www.tsscot.co.uk.

All of the team's social media channels have also been overhauled and the content improved. This has resulted in increased followers and reach with the outcome that prevention messaging is getting to a wider audience which should see a long term reduction in consumer detriment.

The team have also been able to produce information in an infographic form which has been used to particular affect in relation to the confusing consumer journey when buying renewable energy products but also in relation to the ongoing coronavirus crisis.

Having the resource in-house means that the team can react quickly to emerging issues and produce high quality informative products.

6.2 Intelligence Database

With English and Welsh trading standards regions deciding to make the move away from the Memex Intelligence Database TSS have reviewed their position in terms of owning and operating the database. This has been an area that the Governance Board has been closely involved in over the year and a final decision on future arrangements is now required from COSLA Leaders.

6.3 Consumer & Competition Policy in Scotland

Over the year the Consumer Scotland Bill was introduced to the Scottish Parliament. TSS was active contributors at all stages of the Bill's passage with both the TSS Governance Board and the COSLA Community Wellbeing Board contributing to the consultation process. The Bill has now passed Stage 3 and will become law. TSS will continue to work with the Scottish Government as the new public body is put in place.

6.4 Vistalworks Ltd

In the 2018/19 Annual Report an outline of the project that TSS co-sponsored with

Police Scotland and HMRC under the CivTech challenge process was provided. This resulted in Vistalworks Ltd developing an online checker tool which could assess whether goods being sold online were likely to be illicit or not.

Over the course of this financial year and with further funding from Scottish Enterprise through the Can Do fund the three partner organisations have supported the further development of the product towards commercialisation. This has seen the company grow from 3 co-founders to employing an additional 4 staff. The online checker now works across all EBay categories and is available as a Google Chrome plugin. Development is now concentrating on adapting the checker to work on other marketplaces.

The main output for the 3 sponsor organisations is access to a dashboard which allows identification of potentially problematic sellers and products. This data can be used both for enforcement interventions and to tailor prevention campaigns and messaging. The dashboard helped in identification of problematic popular products in the run up to Christmas.

Vistalworks have been important partners as TSS have responded to the coronavirus crisis helping to identify fake and illicit products for sale on EBay that claim to cure the virus, provide protection or allow consumers to test for the virus.

Vistalworks are now looking for commercial clients and are in negotiation with a number of public and private bodies.

The three sponsor organisations will continue to work with Vistalworks as the product develops further.

6.5 Serious & Organised Crime Strategy

The Scottish Government have a dedicated strategy for tackling Serious & Organised Crime in Scotland¹ which is split into 4 strands - Detect, Disrupt, Deter and Divert. Each of these strands has a lead and is further broken down into particular themes each with its own work stream.

The Chief Officer of TSS continues to be the theme lead for regulation, licencing and enforcement under the Deter strand. The main outcomes expected from this strand are

- to ensure that regulators communicate effectively with consumers about counterfeit goods,
- illicit trade is reduced through effective joint working, and
- crime groups are denied access to licences

TSS are currently working with SCOTSS to consider undertaking a project on self-storage units similar to work previously carried out by London Trading Standards and with the aim of ensuring that the units are not used to store illicit and counterfeit goods.

The strategy is currently being refreshed and TSS is also feeding in to that process.

¹ [Scotland's Serious Organised Crime Strategy](#)

£1.215million

TSS Grant Funding
for 2019/20

The total budget for TSS for 2018/19 was **£1,215,000**.

The governance arrangements for the team ensure robust financial management with the team seeking approval for financial planning from the board and also reporting their accounts through the COSLA audit committee.

TSS delivered the budget with a 2% under spend which is out with the tolerances laid down in the grant agreement. This under spend was due to an inability to make end of year spends which were necessary as there had been no draw down on the Enterprise Act fighting fund.

Table 1 shows the overall spend for 2019/20, **Table 2** provides a breakdown by area and **Table 3** shows a breakdown of spend by quarter.

Table 1:
Overall
Spend for
2019/20

2019/20 Budget	2019/20 Actual Spend	2019/20 Cumulative Underspend
£1,215,000	£1,190,282	£24,718

Table 2:
Spend by
Area

General	£387,891
Cyber Crime	£219,657
Intelligence & Coordination	£373,306
Management	£209,427
Total	£1,190,282

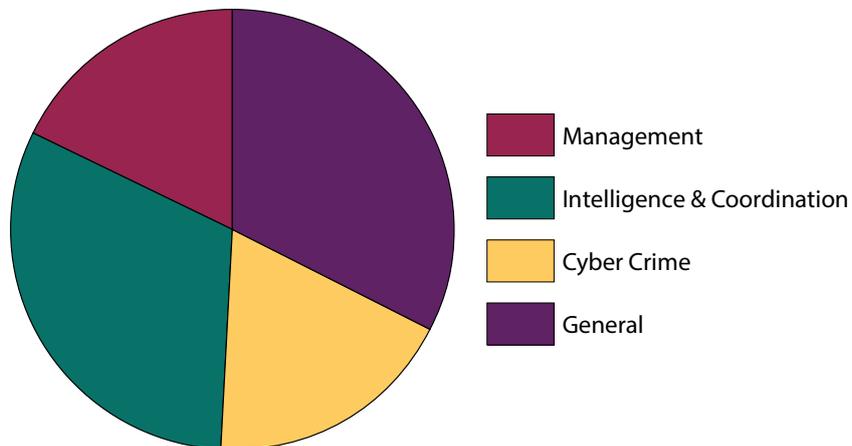


Table 3:
Spend by
Quarter

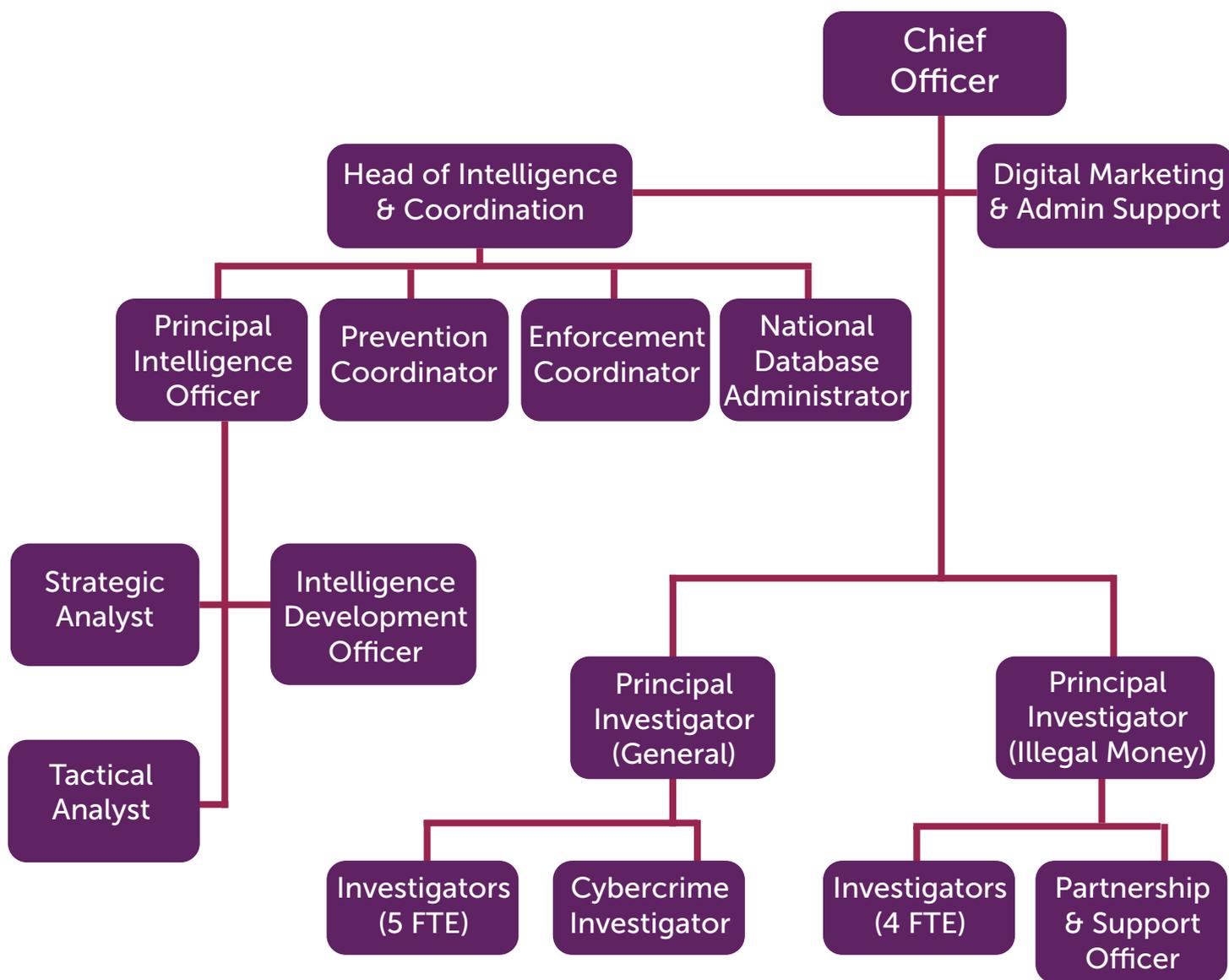
SCOTTISH ENFORCEMENT GRANT 2019-20: £1,215,000			
GRANT HOLDER: COSLA			
	Profile Forecast	Grant Claim	Variance
Q1 (Apr-Jun)	£300,000	£297,557	£2,443
Q2 (Jul-Sep)	£300,000	£287,501	£12,499
Q3 (Oct-Dec)	£300,000	£283,408	£16,592
Q4 (Jan-Mar)	£345,000	£321,816	£23,184
	Total Budget 2019/20	Forecast Outturn to 31st March	Predicted Variance
Cumulative	£1,215,000	£1,190,282	£24,718

TSS will continue to develop into 2020/21 with the newly refreshed Strategic Assessment to ensure the continued relevance of the national priorities. The team will continue to improve their methods for identifying and recording consumer detriment using the baselines that have been established for comparative purposes.

- TSS will continue to coordinate and prioritise **national and cross-border consumer enforcement work** in line with the Business Plan developed with BEIS and approved by the Governance Board.
- TSS will coordinate **prevention and enforcement work in relation to the identified national priorities** ensuring that appropriate partnerships are maintained and developed. TSS understands that this will be a difficult year with both the Covid-19 pandemic and Brexit likely to have a material impact on areas of consumer harm. A dynamic and flexible approach will be taken in relation to tackling the national priorities. Detailed monthly intelligence assessments will be conducted to inform work.
- TSS will continue to consider all options when taking forward **investigative work and will utilise Part 8 of the Enterprise Act or disruption tactics** where it is clear that these will have a more immediate and/or long term effect on reducing consumer detriment. They will also continue to provide match funding for those local authorities taking Part 8 actions that have cross border or legally significant impact.
- TSS will continue to develop the work already commenced on **assessing the risks and opportunities that may arise for the team over the course of the spending period**. This will assist in identifying areas of weakness in the trading standards delivery system where TSS may be able to add capacity. This area of work is now particularly important given the ongoing coronavirus pandemic. Local authority trading standards resource is rightly directed towards resilience and recovery as the country moves through the current situation. TSS will work to ensure that enforcement gaps are minimised as much as possible.
- TSS will continue to **support the CPP with its work** and ensure that it works closely with all consumer landscape partners both in Scotland and across the UK.
- TSS will work closely with the Scottish Government in the area of **competition and consumer policy development** and in particular the establishment of Consumer Scotland and the proposed Scottish Consumer Partnership.

Staffing Structure

The diagram below shows the staffing structure for 2020/21:



BEIS	Department of Business Energy & Industrial Strategy
BVA	British Veterinary Association
COSLA	Convention of Scottish Local Authorities
CPP	Consumer Protection Partnership
CPRs	Consumer Protection from Unfair Trading Regulations 2008
CTSI	Chartered Trading Standards Institute
IPO	Intellectual Property Office
KPI	Key Performance Indicator
LATSS	Local Authority Trading Standards Service
LILO	Local Intelligence Liaison Officer
MACCG	Multi Agency Coordination & Collaboration Group
RECC	Renewable Energy Consumer Code
SBRC	Scottish Business Resilience Centre
SCOTSS	Society of Chief Officers of Trading Standards in Scotland
SG	Scottish Government
SOLACE	Society of Local Authority Chief Executives
SOLAR	Society of Local Authority Lawyers & Administrators
SSPCA	Scottish Society for the Prevention of Cruelty to Animals
TAC	Tactical Tasking and Coordinating Meeting
TSS	Trading Standards Scotland



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