



# TRADING STANDARDS SCOTLAND

Business Plan  
2021 - 2022



**COSLA**  
HOME OF  
TRADING STANDARDS  
SCOTLAND



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**Welcome to Trading Standards Scotland's Business Plan for 2021/22. After an extremely challenging year, we begin this financial year still very much in the grip of the COVID-19 pandemic and living under necessary restrictions on many aspects of our lives.**



Rogue traders and scammers have been quick to identify and exploit consumer vulnerabilities during this time and as a consequence, we have seen price gouging, false and misleading marketing of PPE equipment, bogus testing kits and latterly, vaccine related scams.

There has been an increased demand for certain 'lockdown' products and services which in many cases, has caused a boom in illicit trade. The sale of puppies sourced from illegal, low welfare puppy farms which are being marketed as the offspring of family pets. The rise in unlicensed suppliers of internet protocol TV streaming services which appears to be a victimless crime threatens the creative and sporting industries as well as jobs in the legitimate supply chain.

Protecting consumers and legitimate business from illicit trade is a vital part of Scotland's economic recovery from the impact of COVID. Therefore Trading Standards Scotland will proactively focus its enforcement activity on tackling these issues.

The UK and Scottish Governments have both identified the transition to a low carbon economy as a key objective to tackle climate change and as a route to economic recovery post COVID. To support this, TSS will target rogue traders in the energy efficiency sector to protect consumers as they seek to improve the energy efficiency of their homes.

The Trade and Cooperation Agreement between the UK and the EU was struck on the 24th December 2020, days before the transition period came to an end. At this early stage in 2021, with COVID restrictions continuing to impact upon commerce, it is still unclear what effect the new trading environment will have on consumers and how scammers might seek to exploit it. However there are early indications of higher charges for goods sourced from the EU.

TSS will actively monitor intelligence on this issue so any consumer detriment can be identified and tackled as it emerges.

As a councillor, I am acutely aware of the impact COVID is having and will continue to have on local authority resilience. With this in mind and in recognition of UK Government's continued commitment to review trading standards services both nationally and locally, last year I wrote to Council Chief Executives and other

stakeholders asking how the resources of TSS could best support local authority trading standards services.

I am grateful to everyone who has taken the time to respond and this year we will publish the key points emerging from the consultation along with an action plan to develop the service TSS delivers accordingly. I hope that this will strengthen the relationship between local trading standards and Trading Standards Scotland enabling the service as a whole to work together more effectively to tackle trading malpractice and illicit trade in order to protect consumers and legitimate business.

A handwritten signature in black ink, appearing to read 'K. Parry', with a decorative flourish underneath.

**Kelly Parry**

**COSLA Spokesperson for the Community & Wellbeing Board and  
Chair of the Trading Standards Scotland Governance Board**

Trading Standards Scotland is a team delivered by COSLA and funded by UK government to add capacity to local authority trading standards services in Scotland. The team is funded to:

- tackle consumer detriment occurring across local authority boundaries;
- provide expertise in cybercrime investigations ;
- provide national intelligence capability; and
- tackle illegal money lending investigations and undertake initiatives to prevent individuals from turning to this source of lending.



## Governance

As part of its funding agreement with Cosla, the Department of Business, Energy and Industrial Strategy and HM Treasury set out the broad functions that they wish TSS to undertake and key performance indicators on which it is to report. These are set out in the Appendix to this Plan.



In addition TSS is accountable to a political Governance Board within COSLA chaired by COSLA's Spokesperson for Community Wellbeing, Cllr Kelly Parry. It comprises elected members representing all major political parties in Scotland and representatives from BEIS; SCOTSS and the Consumer and Low Carbon Division of Scottish Government are also represented on the Board.

Being part of COSLA means that Trading Standards Scotland is at the heart of policy development for local government enabling consumer protection issues to be given prominence and be linked to other relevant policy areas such as health and social care, community safety and sustainable economic growth.

## Authorisation

In order to undertake an enforcement role, TSS receives delegated authorisation from councils which it obtains by virtue of the Local Government (Scotland) Act 1973. It engages with local authority trading standards services via the Society of Chief Trading Standards Officers in Scotland (SCOTSS). On a bi-monthly basis regional representatives from SCOTSS attend a Tactical Tasking meeting with TSS management to jointly oversee the work undertaken by TSS to tackle cross council border and agree whether new referrals to the team meet the threshold for TSS involvement.

## Consumer Protection Partnership

TSS represents Scottish trading standards at the UK Consumer Protection Partnership (CPP); the forum through which partners<sup>1</sup> in the consumer landscape come together strategically and operationally to address UK emerging consumer issues.

## Consumer Network

TSS is also part of Scottish Government's Consumer Network which brings together individuals and organisations involved in consumer protection in Scotland. It is anticipated that Consumer Scotland, the new advocacy and advice body will be established in shadow form this year and Trading Standards Scotland looks forward to working closely with it to align enforcement with advice and advocacy in the developing consumer protection landscape in Scotland.

## Scams Prevention Strategy

In its 2019 Programme for Government, Scottish Government announced its intention to develop a Scams Prevention Strategy for Scotland. TSS is participating with other stakeholders to develop proposals for the Strategy including the establishment of a single point of contact for victims of scams. The proposals will be put before the Minister for Business, Fair Work and Skills for consideration in 2021.

## Scottish Crime Campus

TSS is a partner organisation at the Scottish Crime Campus. It engages with Police Scotland, HMRC, Border Force and other enforcement agencies to share intelligence and participate in multi-agency activity and assisting in tackling serious and organised crime.

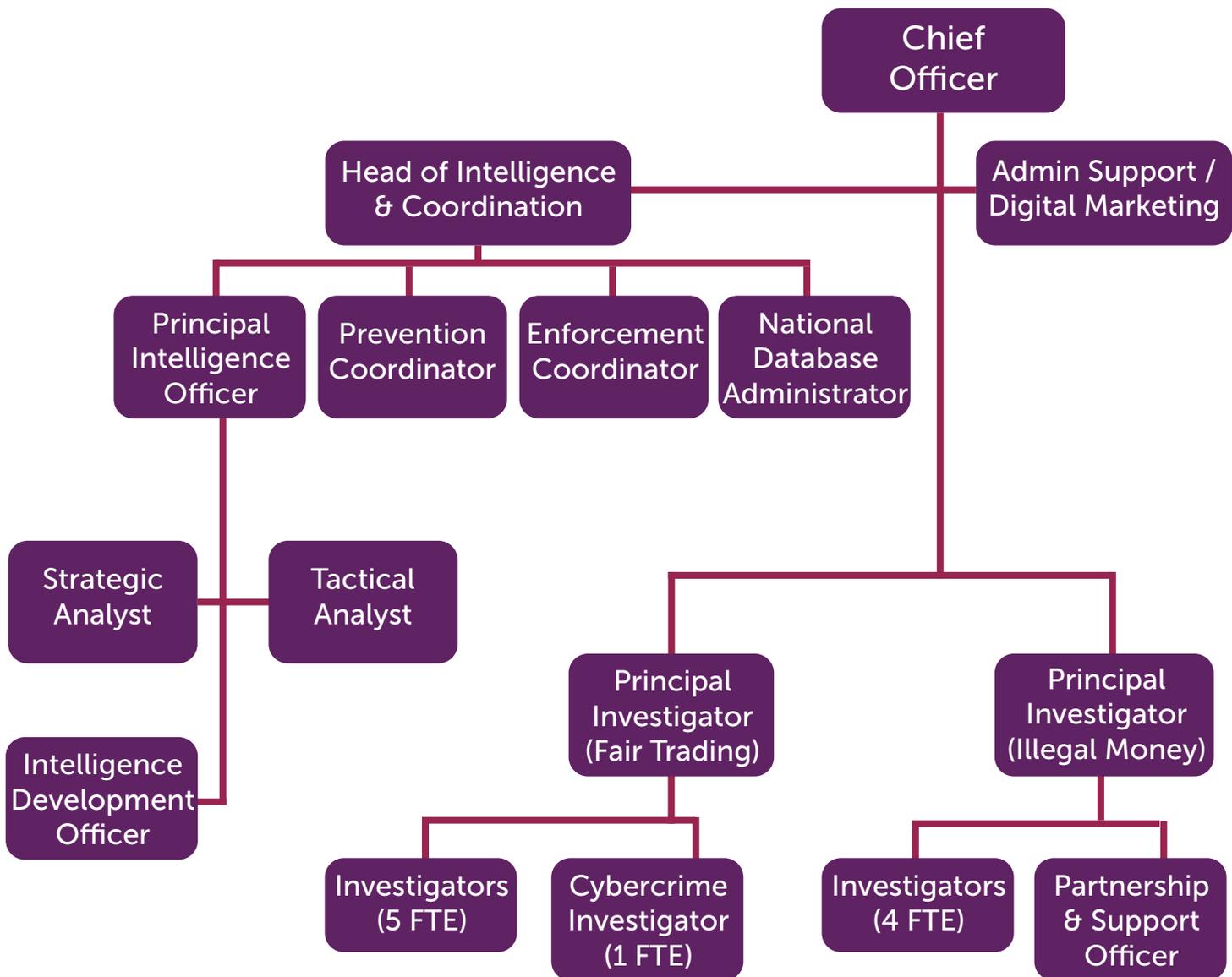
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<sup>1</sup> In addition to TSS, the Partners are: BEIS, Competition and Markets Authority; Citizens Advice (England and Wales), National Trading Standards (England and Wales), Chartered Trading Standards Institute, Trading Standards Northern Ireland, Consumer Council of Northern Ireland, Advertising Standards Authority, Financial Conduct Authority

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## Team Structure

The diagram below shows the current structure of TSS:



As well as undertaking investigations on behalf of local authority trading standards, the national team provides other kinds of resource such as the provision of equipment, financial support and intelligence support.

In 2020/21 the Chair of the Trading Standards Scotland Governance Board, Cllr Kelly Parry wrote to local authorities and other stakeholders to ask what other areas of support they would like to see from the national team. The responses will be analysed and a report will be produced for the Board to consider.

## 1. Call Blocking Devices



This year, TSS will disseminate 725 call blocking devices to vulnerable consumers. These have been procured jointly by TSS and Scottish Government<sup>2</sup> and will be available to the general public in March 2021. Local authorities and third sector organisations can apply on behalf of vulnerable consumers known to them.

As well as protecting individuals, the call blockers are a valuable source of intelligence which can be used to identify the most prolific nuisance callers. They record the numbers they block and this data is shared with TSS to link numbers to known rogue traders. This is shared with local authority trading standards to assist with investigations into scams and misleading marketing. The infographic below shows the ten most common phone scams from 2020.



<sup>2</sup> TSS provided £20k and SG provided £60k

## 2. Scam Victim Data



TSS funds access to a database known as Compass; a web-based system which holds details of potential scam victims. The database which is run by the national trading standards body for England and Wales, is accessible to Scottish local authority trading standards enabling them to undertake interventions often in conjunction with health and social care colleagues, in order to protect victims from further financial harm.

## 3. Prevention Campaign Material



TSS has produced a bank of prevention material for use on social media which is available on the TSS website. It also has supplies of physical leaflets, banners and other products which are available for local authority trading standards to use on issues such as scams and doorstep crime.

Recently it has started to produce podcasts which appear on podcast sites and on the TSS website. These focus on national issues of consumer detriment and speakers are from Scottish trading standards and other relevant partner organisations.

TSS also produces a weekly ScamShare bulletin which as the name suggests, alerts consumers to the latest scams. The bulletin is widely shared by local authority trading standards services, Scottish Government, third sector organisations, community groups and individuals. On average the bulletin is read by between 800 and 1000 people per week.

TSS is currently working with East Renfrewshire Council, Advice Direct Scotland and Scottish Government to develop a Financial Harm Toolkit for national use. It will pilot a scheme to allow local authorities to develop a bespoke toolkit which reflects local services.

## 4. Enterprise Act 2002 support



Part 8 of the Enterprise Act 2002 provides for civil enforcement to be taken against traders who persist in a course of conduct which is detrimental to consumers.

TSS is not a designated enforcer under the Act and where there is cross local authority consumer detriment which merits civil action of this kind, it relies on local authority trading standards services and solicitors to undertake civil action on its behalf. TSS provides dedicated officers to guide the process and conduct the investigation.

TSS has delivered training to local authority trading standards services to encourage greater use of Part 8 actions and has created a knowledge hub where best practice is shared.

## 5. Intelligence Database



TSS owns and administers the national intelligence database known as Memex on behalf of Scottish trading standards and Food Standards Scotland. It pays the licensing costs to give local authorities access to the system to both input and view intelligence. TSS also provides ongoing training on use of the system and the deployment of intelligence more generally.

This year, TSS will relinquish its ownership of Memex and Scottish trading standards will transfer to use of another database known as IDB which is used by trading standards in England and Wales, the Intellectual Property Office and the Office of Product Safety and Standards. TSS will oversee and fund the transition of the data on behalf of Scottish local authorities. It will also fund access to the IDB database for Scottish trading standards.

**Every year TSS identifies issues which it will prioritise its resources at tackling. These are usually identified from analysis of the previous years' intelligence.**

Given the impact that COVID 19 on commerce last year, it has been difficult to predict the issues that will present the greatest risk to consumers and/or legitimate business in 2021/22.

It is also unclear what fair trading issues may emerge as a consequence of the UK now having third country status in relation to the EU. A flexible approach will be required and continually monitor intelligence.

Having evaluated the impact of the projects undertaken in 2020/21, this year TSS will focus on a smaller number of issues but over the course of the whole year. The intention is to achieve a more enduring impact than has been achieved by short bursts of enforcement activity which have seen only a temporary disruption of trading malpractice.

## **Proactive Campaigns for 2021/22**

In 2021/22 TSS will focus on three proactive campaigns:

### **1. Project Maxwell - Misleading Marketing of Energy Efficiency Products**



Unscrupulous traders are exploiting the existence of government energy efficiency grants and funding schemes by falsely claiming that they are available for the products they are selling in order to hook consumers into purchasing them. In addition false/misleading statements are being made as to the efficacy of the products and their suitability within consumer's homes.

Consumers are particularly vulnerable in this market due to their lack of knowledge of the products and the complex landscape of grants and schemes available from UK, Scottish and local government.

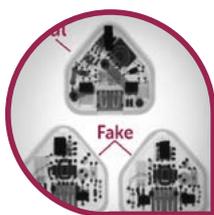
Last year TSS investigated 8 traders in the energy efficiency sector responsible for known consumer detriment estimated at £4.5 million, although the actual figure is likely to be far higher. Intelligence shows that many consumers are hooked into dealing with rogue traders such as these through false and misleading adverts which often appear on social media. The adverts are generally placed by lead generators who pass consumer details on to rogue traders. They hook consumers in by falsely claiming that government grants and funding are available for the products.

TSS undertook a project to tackle the misleading adverts and within a month, some 430 adverts had identified and action was taken to have them removed or altered.

Although the project caused a cessation in adverts and prevented significant consumer detriment, adverts have re-emerged. This year TSS will embark on a rolling programme of advertisement monitoring and enforcement in order to bring about a more enduring cessation to misleading adverts of this kind.

As well as preventing consumer detriment, it will promote economic growth amongst legitimate traders in the energy efficiency sector and in so doing, assist Scottish Government in its aims to reduce carbon emissions through improved energy efficiency in private dwellings.

## 2. Project Jasper - Counterfeit goods sold on social media and online market places



Social media is now an established platform for individuals to buy and sell goods including the sale of counterfeit goods. The public perception of counterfeit goods prevails that it is a victimless crime and that sellers are only trying to make a bit of money on the side. There is little public recognition of the scale of the problem and that it often funds serious organised crime. Neither is there recognition of the safety risk presented by low quality and potentially unsafe electrical equipment, toys and cosmetics being passed off as high quality brands. Regardless of public perception, it is an area of significant detriment to the economy and tax revenue of the country.

TSS previously undertook Project Jasper in the run up to Christmas to disrupt sellers at their busiest point. However it is an all year round phenomenon and this year, TSS intends to run a rolling programme of intelligence gathering and enforcement activity.

## 3. Project Redpath - Misleading marketing on online platforms of puppies from low welfare puppy farms and other illicit sources



Demand for puppies, particularly new 'designer' breeds, has grown over the years. However lockdown have given rise to an even greater demand and supply from legitimate high welfare sources is nowhere near sufficient to meet it. Criminals are moving into the market and the number of puppies being sourced from illegal, low welfare puppy farms is increasing. There has also been an increase in scams where criminals take deposits and then fail to produce a puppy.

As well as the suffering caused to the animals, the illicit trade in puppies causes financial and emotional detriment to consumers who find they have purchased an ill puppy which may die shortly after purchase and/or requires expensive veterinary care.

The illicit puppy trade is being facilitated through online platforms such as Gumtree and Pets4homes where adverts are being placed by dealers posing as individuals selling pups from their family pet.

TSS aims to disrupt this trade by tackling false and misleading adverts. It will focus on identifying these throughout the course of the year and taking enforcement action where appropriate.

#### 4. Project Fall - Itinerant Doorstep Crime



The most consistent and pernicious form of doorstep crime is perpetrated by itinerant groups that travel the length and breadth of the country, repeatedly targeting elderly and vulnerable people in our communities. They cold call ostensibly to undertake home maintenance work such as roof or driveway repairs with the aim of exploiting as much money as possible from the victim for little or no actual work.

Local authority trading standards services and police divisions work in partnership to tackle localised incidents of doorstep crime. Trading Standards Scotland is working with Police Scotland at a national level to develop a national intelligence picture of this type of crime so that collective, proactive approach can be adopted.

Trading Standards Scotland provides a service which complements that of local authority trading standards; tackling trading malpractice which affects consumers across Scottish local authorities. By setting out our resources and planned activity for the coming year, it is hoped that local authorities will engage with the service so that better outcomes are achieved for consumers and businesses that trade fairly.



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## Performance Indicators

In consultation with BEIS and HM Treasury, TSS has identified key performance indicators for 2021/22 intended to improve outcomes in tackling consumer detriment and illegal money lending. These are the same as the previous year and are set out below along with the outputs from 2020/21.

KPI	Output for 20/21
Operations commenced in the period, broken into separate activity strands: <ul style="list-style-type: none"> <li>• Criminal</li> <li>• Civil</li> <li>• Cyber</li> </ul> <b>Total</b>	
Reports submitted to the Procurator Fiscal	
Commenced Part 8 actions under the Enterprise Act 2002 <ul style="list-style-type: none"> <li>• Breach of enforcement orders pursued</li> <li>• Enhanced consumer measures sought</li> </ul>	
Cases referred for POCA investigations (Police Function)	
Cases referred to Civil Recovery Unit (Police Function)	
Cases referred to other enforcement agencies	
Enforcement outcomes undertaken in partnership with local authority trading standards teams and/or other enforcement agencies	
TSS training events undertaken for local authority Trading Standards services. (Enforcement, Intelligence or Prevention)	
Intelligence logs submitted by TSS	
Analytical products produced	
Intelligence development cases commenced	
Intelligence packages developed for local authority operations (cybercrime/other)	
Consumers/businesses reached in preventative campaigns: online, printed media, radio/TV	

Cost Benefit analysis will capture:

- Number of consumer affected in each case (vulnerability of consumers assessed)
- Value of goods seized
- Cash/assets assessed for POCA/Civil Recovery
- Evaluation of enforcement outcomes resulting from training local authorities
- Participation of local authority TS in events coordinated by TSS
- Number of intelligence logs submitted by each local authority

## Illegal Moneylending KPIs



KPI	Output for 20/21
Operations commenced	
Operations commenced on behalf of or supporting stakeholders	
Calls to hotline	
Reports submitted to the Procurator Fiscal	
Individuals reported	
Individuals convicted	
Custodial sentences	
Non-custodial sentences	
Total length of custodial sentences	
Total value of fines	
Referrals for POCA action	
Value of cash/goods seized	
Value of any associated financial restraints	
Value of any associated POCA recovery	
Estimated financial savings to consumers	
Estimated value of criminality	
Consumers affected	
Victims provided with support	
People reached through community education projects	



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