



REGULATORY SERVICES UPDATE – Regulatory Services’ Service Plan Update

**CORPORATE COMMITTEE
MEETING DATE 2016/17**

23 March 2017

CLASSIFICATION:

Open

**If exempt, the reason will be listed in the
main body of this report**

WARD(S) AFFECTED

All Wards

GROUP DIRECTOR Kim Wright, Neighbourhoods and Housing

1. CORPORATE DIRECTOR'S INTRODUCTION

- 1.1 The Food Law Enforcement Service Plan 2016/17 was presented to the Corporate Committee in July 2016. The report was noted with a request for an update to be presented at a future Corporate Committee meeting.
- 1.2 The report now being presented;
- provides a nine month update on the performance of the Environmental Health Service against the Plan to the end of Q3 2016/17.
 - shows the impact of the Service in managing and reducing the numbers of 'not' broadly compliant premises and those not yet rated, in order to improve the percentage of broadly compliant premises in the Borough;
 - notes the greater emphasis placed on driving up compliance through advice, education, inspections of establishments considered to be flouting the law, and the necessary interventions undertaken.
- 1.3 This report also highlights the work of Hackney Trading Standards between April 2016 to December 2016. The plan outlines the Service's achievements and identifies areas of interest for the future.
- 1.4 In fulfilling its duties, the Service provides important support to individuals, communities and businesses in the borough to enable people to buy goods and services with confidence and security, and by offering advice to businesses to help them to comply with the law.
- 1.5 The Service also fulfils an important role in relation to public safety and health, for example through ensuring safe storage of dangerous items and by preventing the sale of dangerous products including the supply of age-restricted products to minors.
- 1.6 The Service also seeks to ensure there is a fair trading environment and helps businesses comply with legislation in order to protect consumers from unfair trading practices. The Service targets its enforcement activities using intelligence. Officers have removed illegal alcohol and tobacco from traders within the Borough. The Service has also removed unsafe cosmetics from traders in Dalston, and engages with a range of external partners such as HM Revenue and Customs (HMRC). The partnership working supports corporate objectives such as ensuring local workers are paid the national minimum wage.

2. RECOMMENDATION(S)

The Regulatory Committee is recommended to:

- **Note the contents of the update to the Food Law Enforcement Service Plan 2016/17**
- **Note the level and scope of work being carried out to meet the requirements of the plan.**
- **Note the contents of the update to the Trading Standards Service Plan Service Plan 2016/17**

- **Note the level and scope of work being carried out to meet the requirements of the plan.**

3. REASONS FOR DECISION

- 3.1 The Food Standards Agency recommends that food service plans are submitted for Member approval to ensure local transparency and accountability.
- 3.2 Trading Standards have a duty to ensure consumer protection law is enforced fairly and proportionately. Any comments from the Committee would be welcome.

4. BACKGROUND

- 4.1 The Food Law Enforcement Service Plan (FLESP) is a statutory plan which sets out how the Council will undertake enforcement of food safety legislation.
- 4.2 The Plan is prepared in accordance with the Food Standards Agency's (FSA) Framework Agreement (2000), issued 1 April 2001, and is an important part of the process to ensure that national food safety priorities and standards are addressed and delivered locally. It also focuses on key deliverables, provides an essential link with financial planning, provides objectives for the future including identifying major issues that cross service boundaries and provides a means of managing performance and making performance comparisons.
- 4.3 The performance of the Food Safety Service is measured against its fulfilment of the Plan and the percentage of broadly compliant premises within the borough.
- 4.4 The Council has gone through a period of change and the Trading Standards Service has adapted to these changes.
- 4.5 The Service has undergone an audit to review procedures and to ensure confidence in the efficiency and effectiveness of the Trading Standards Service.
- 4.6 The Service also leads the way on financial investigations within the council. There are three accredited financial investigators and the Head of Service acts as Senior Authorising Officer for the purposes of the council's financial investigations under the Proceeds of Crime Act 2002.

5. FOOD LAW ENFORCEMENT SERVICE PLAN UPDATE

- 5.1 The FSA's Local Authority Enforcement Monitoring System (LAEMS) data shows that 83% of Hackney's food premises were broadly compliant as of 1st April 2016. The current position is that 85% of food premises are currently broadly compliant, an increase of 2% since 1st April 2016.
- 5.2 The data recently released by the FSA provides a comparative performance data for each local authority in the country.

- 5.3 Tables 1a below show food hygiene performance data across NE London Food Sector boroughs to the end of Q3 2016/17 in terms of percentage of broad compliance. The table highlights that Hackney is ranked third across the NE London Food Sector boroughs in terms of broad compliance even though it has the third highest number of food premises, see table 1b.
- 5.4 Table 2 demonstrates the level of enforcement action taken across the NE London Food Sector boroughs. It shows that Hackney served the third highest number of hygiene improvement notices, that Hackney issued the second highest number of warning letters, and was joint second highest in the number of prosecutions taken. This demonstrates that Service employs a graduated approach to enforcement in order to secure compliance.
- 5.5 Table 3 highlights that Hackney are only one of six NE London Food Sector boroughs to have completed 100% inspections of high risk premises for food standards and that Hackney issued the second highest number of warning letters.

Table 1a – Broadly Compliance

Local Authority	% BC (inc. unrated)	% BC (excl. unrated)	% B C - category A	% BC - category B	% B C - category C	% BC (Cat A-C)	% Unrated Premises
Barking & Dagenham	93%	103%	0%	65%	87%	85%	11%
Camden	72%	88%	0%	31%	86%	74%	18%
Enfield	56%	63%	10%	30%	78%	64%	11%
Hackney	86%	88%	13%	41%	80%	70%	2%
Havering	80%	87%	22%	42%	77%	68%	8%
Islington	77%	80%	6%	38%	71%	63%	4%
Newham	No data provided						
Redbridge	93%	96%	42%	69%	95%	92%	4%
Tower Hamlets	80%	86%	0%	26%	83%	67%	7%
Waltham Forest	74%	87%	9%	29%	82%	73%	15%

Table 1b – Breakdown of Premises

Local Authority	Total No. of Premises	Total No. of Unrated	Total No. of BC Premises	No. of Cat A	No. BC cat A	No. of Cat B	No. BC Cat B	No. of Cat C	No. BC Cat C
Barking & Dagenham	1287	136	1191	1	0	48	31	526	455
Camden	3810	669	2754	43	0	227	71	1090	942
Enfield	2496	273	1393	29	3	159	47	509	395
Hackney	2456	56	2109	15	2	199	82	673	536
Havering	1938	154	1545	9	2	146	62	440	340
Islington	2337	91	1796	17	1	223	85	863	614
Newham	No data provided								
Redbridge	1852	65	1721	12	5	74	51	721	685
Tower Hamlets	2954	214	2368	45	0	206	54	734	606
Waltham Forest	1775	263	1318	11	1	93	27	520	426

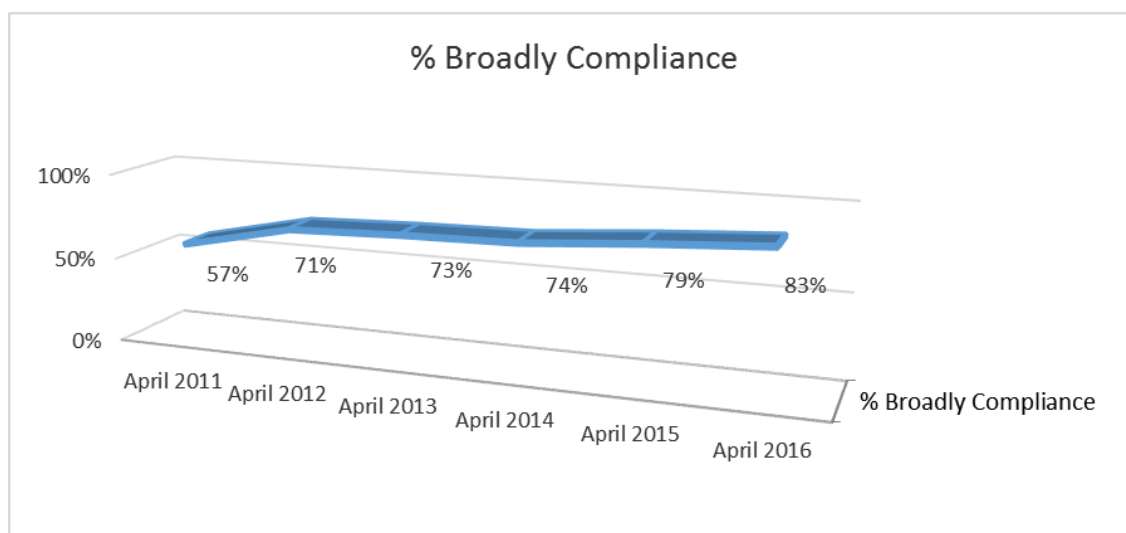
Table 2 - Enforcement

Authority Name	Total number of Voluntary closures	Total number of Seizure, detention and surrender of food	Total number of Hygiene Emergency Prohibition Notices	Total number of - Simple Cautions	Total number of Hygiene Improvement Notices	Total number of Written Warnings	Total number of Prosecutions
Barking and Dagenham	1	0	0	1	3	492	0
Camden (2)	16	0	7	0	48	464	0
Enfield	13	1	0	3	58	908	3
Hackney	4	7	0	0	43	973	3
Havering	0	1	0	0	10	907	1
Islington	13	2	0	8	28	460	1
Newham	45	10	4	4	42	676	2
Redbridge	3	0	0	0	2	37	0
Tower Hamlets	0	4	4	0	17	1,407	11
Waltham Forest	3	2	4	1	40	639	0

Table 3 - Food Standards

Authority Name	Total % of interventions - premises rated A	Total number of Improvement Notices	Total number of Written Warnings	Total number of Prosecutions
Barking and Dagenham	88.89	0	0	0
Camden (2)	100.00	0	0	0
Enfield	96.97	0	244	0
Hackney	100.00	1	659	0
Havering	100.00	0	164	0
Islington	100.00	0	24	0
Newham	100.00	0	178	0
Redbridge	NR	0	3	0
Tower Hamlets	100.00	0	1407	0
Waltham Forest	100.00	0	0	0

5.6 The graph below shows Hackney's broad compliance percentage performance data direction of travel since 2011. It can be seen that there has been a year-on-year improvement with the percentage of broadly compliance increasing by 26% since 2011. This is a direct reflection of the hard work of the team to raise the compliance of the food businesses in Hackney thereby ensuring the public are protected.



5.7 **Food Hygiene Inspection Programme** - Members will be aware from the FLESP that premises are categorised and the frequency of inspection depends primarily on their category as specified in the Food Law Code of Practice. The table below shows the progress with inspections.

Inspection Rating	Number of food hygiene inspections due 2016/17	Number of inspections completed	RAG	The frequency of inspection is for Category: A: every 6 months (2 insp/yr) B: every 12 months C: every 18 months D: every 2 years E: every 3 years
A	21 x 2 = 42	39	Green	
B	331	266	Yellow	
C	648 (114 NBC**)	372	Yellow	
D	745* (60 NBC**)	194	Yellow	
E	358*	78	Yellow	
New/Unrated premises carried over from 2015/16	24	24	Green	

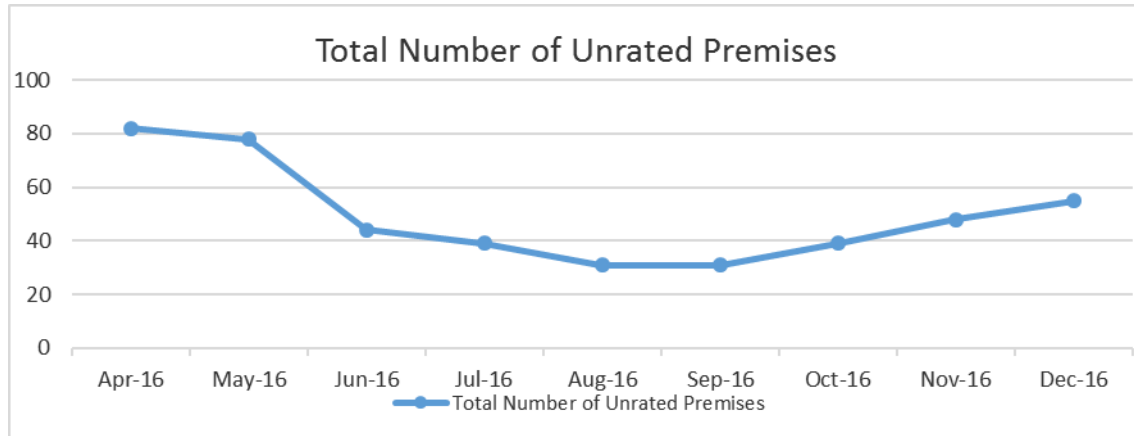
*relates to those premises subject to non-official interventions

**NBC = Not Broadly Complaint premises, which are not broadly compliant with food hygiene legislation

5.8 Category D & E premises are subject to the alternative enforcement strategy (AES) and are therefore subject to interventions other than inspections. It should be noted that the number of inspections due above includes a considerable backlog from the previous year. Category D and E are not considered a priority by this Service as resources are directed to the highest risk premises. A category D project was commissioned in Q4 2015/16, however the contractor employed to complete the project left part way through the project and the project was not completed.

5.9 Inspection rates are acceptable; and the numbers of unrated premises i.e. those premises not yet risk rated because they have not been inspected are being maintained at a low level.

5.10 The graph below shows the variation in numbers of unrated premises.

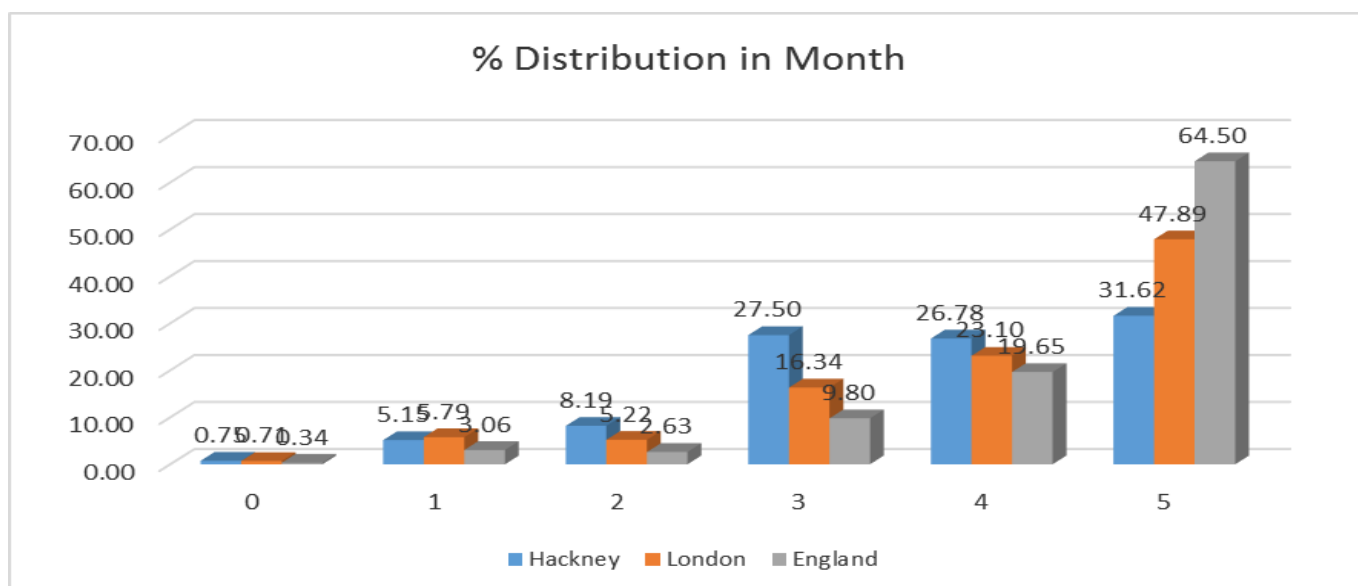


5.11 Food Hygiene Rating Scheme (FHRS)

5.12 The FHRS is key to the Food Standards Agency's strategic objective: safer food for the nation. Restaurants, takeaways, cafés, sandwich shops, pubs, hotels, supermarkets and other retail food outlets in the Borough, as well as other businesses where consumers can eat or buy food, are given a hygiene rating as part of the scheme.

5.13 The number of 3-rated premises in Hackney remains high when compared to London and nationally and further work is planned with these businesses through the business consultancy process to assist businesses to improve hygiene and achieve a higher rating. Also, for 2017/18 the Service will be adopting the scheme for charging businesses who would like to be re-rated following improvement works. At present, the business has to wait between 3-6 months from the date of application for a re-rating inspection. The business can apply at any time and more than once. This service will encourage businesses to adopt this new way of working as a means of raising standards.

5.14 Currently, business that are rated 0-2 are encouraged to request a re-rating once the improvements highlighted during the initial inspection have been completed. The same businesses are also contacted by the business consultant to support the business through these improvements. In addition, a project is being developed to support and encourage businesses rated 3 to move to a higher rating, through increased revisits.



5.15 **Food Standards Inspection Programme** – Food standards inspections are also carried out on a risk based programme. The Code of Practice specifies the frequency of inspection. Premises that fall under a category A rating may be dealt with via the alternative enforcement strategy. The table below shows progress for food standards inspections. Similarly the inspections due include a considerable backlog.

Inspection Rating	Number of food standards inspections due	Number of inspections completed	RAG	The frequency of inspection for Category: A: every 12 months B: every 2 years C: every 5 years
A	19	19	Green	
B	558*	94	Yellow	
C	156*	124	Yellow	
New/Unrated premises carried over from 2015/16	24	24	Green	

*relates to those premises subject to non-official interventions

5.16 There has been an overall decrease in enforcement activities mainly due to improved engagement with businesses and the positive effects of face-to-face contact and support by ward officers out on the district. The table below shows a comparison of enforcement activities undertaken since 1st April 2016:

Enforcement action	2015/16 (end of yr)	2016/17 (31.12.16)
Total number of Food Hygiene Written warnings issued	973	515
Hygiene Emergency Prohibition notices (formal closure)	0	3
Voluntary Closures due to Food Hygiene imminent risk	4	1
Premises receiving a Hygiene Improvement notice	43	35
Seizure/detention of food	7	0
Prosecution of food premises	3	0
Total	1030	554

5.17 The table below shows level of other activities undertaken by the team are shown in the tables below:

Types and Numbers of Service Requests received 2015/16 (as of 31.12.16)	
Type of Service Request	Total
Alleged Food Poisoning	72
Business Requests for Advice/Info	143
Complaint about smoking allowed in premises	5
Defective Drainage	6
Food Contamination	19
Food Hazard Warning	5
Food Hygiene/Standards Complaint	146
Food Hygiene Rating Scheme Enquiry	44
Food Premises Complaint	29
Food Premises Pests Complaint	42
Food Premises Registration Form	188
Event Enquires	7
Other	12*
Grand Total	718

- Others include: - singular enquires on accumulation of rubbish, trading on the highway, bereavement, stray animals, non-defined enquires etc.

6. TRADING STANDARDS SERVICE PLAN UPDATE

6.1 Enforcement Visits

6.2 The data shown compares the enforcement visits figures for the last two years. Visits are categorised as High, Upper Medium, Lower Medium or low.

6.3 The basis of the scheme is that each business within a local authority's area receives a score to direct enforcement activity to deal with the risk posed by the business, as opposed to a scheme which is based purely on inspection as

a means of determining the risks. This means that businesses not previously risk rated (e.g. builders working from home) because they were not “inspectable” will now be risk rated as they can pose a Trading Standards risk which can be dealt with via other mechanisms (e.g. surveys, test purchases or internet examinations, etc.) The scheme comprises a hazard element (previously known as the national element) that is scored on the basis of business category and a Likelihood of Compliance element (previously known as the local element) that is particular to the individual business and determined by local authorities. An example of a high risk premises could be a premises selling products subject to safety legislation such as knives.

6.4 TS visits April – December 2016

High	Upper Med	Lower Med	Low
151	97	0	0

6.5 TS visits April – December 2015

High	Upper Med	Lower Med	Low
126	47	65	42

6.6 The Service has refocussed on risk based inspections as well as carrying out intelligence led projects. The Consumer Rights Act 2015 amends officers’ powers of entry and has led to a reduction in the overall number of visits conducted. However the visits are more targeted at the higher risk visits.

6.7 Consumer Complaints investigated

6.8 From April – December 2016 there were a total of 1844 consumer complaints received from members of the public. This is down from 2069 for the same period for the previous year.

Notifications	Referrals	Other	Total
1369	396	79	1844

6.9 The definition of these complaints is as follows. Notifications are received from the Consumer Advice Bureau (CAB). These are generally sent for intelligence purposes only. They are reviewed by officers and may lead to follow up work if there are any trends or serious breaches found. Referrals are sent to the Service for action if necessary. They may also be used for intelligence.

6.10 The fall in the number of complaints received reflects a national reduction in the number of complaints received by the Consumer Advice Bureau who receive the majority of complaints on behalf of trading standards.

6.11 Service requests undertaken

- 6.12 There has been a reduction in the number of service requests received by the service in the last two years. This year there has been 249 and for the same period in the preceding year there was 290.

Year	Number of requests received
Apr-Dec 2016	249
Apr-Dec 2015	290

- 6.13 The breakdown of the complaints received is shown below.

Type of service request	Number of requests received
Licensing requests received as responsible authority	154
Requests from public/other body	79
Notification of weights and measures verification	5
Animal feed registration	1
Other requests	10

6.14 Age Restricted Products

- 6.15 Hackney Council is committed to maintaining the health and safety of our young people and community. One way this is achieved is through the prevention of illegal sales of age-restricted products to young people. It is illegal to sell an age-restricted product to someone under 18 years of age. The Council take enforcement action against those businesses and traders that break this law. The Trading Standards team is responsible for enforcing a range of laws that deal with the sale of age-restricted products including tobacco, knives, alcohol, and lottery cards. The protection of children from harm is a key Mayoral priority and is very high on the political agenda. In addition the protection of children from harm is one of the Licensing objectives, supported by Trading Standards in its capacity as a Responsible Authority.
- 6.16 During the period April – December 2016 there were two test purchasing visit days made for Alcohol, with six sales to young people under 18. These traders were all the vicinity of Broadway market with each receiving a fixed penalty notice.
- 6.17 There were fourteen test purchasing visits conducted for fireworks between April – December 2016. There was a sale at a well-known retail chain's premises in Well Street, London E9. The matter has been referred to the Primary Authority which is the particular local authority designated to provide Trading Standards advice to the business.

- 6.18 There were seven test purchasing visit days undertaken for knives and there were nine sales to a young person under 18.
- 6.19 Revisits were undertaken and one trader is being prosecuted.
- 6.20 One element of the operation is to provide education and to engage with the business community that sell knives, so in partnership with the Metropolitan Police, Trading Standards hosted the first “Knife Sales Seminar” in June, and retailers from the Victoria & Homerton Ward were invited to attend. The presentation covered a wide range of topics, including an explanation of the legislation around knives, best practice, and the role of the Metropolitan Police and Trading Standards. Warning letters were issued to the traders that had sold during this period. Just recently Trading Standards have introduced an education package to support small businesses offering them a BTEC Level 2 Award in “Preventing under Age Sales” and is based on the person completing a workbook and a short multiple choice test. The option to participate in an “Education Scheme”, is given to a business if it is their first offence.
- 6.21 The Service has met the target set for the year of a minimum of 20 test purchase visits, 75 premises visited during this period.

6.22 Tobacco Control - Activities to find illegal tobacco

- 6.23 The Service carried out a series of action days in search of illegal tobacco. Illegal products were at a business in Well Street London E9. Two hundred and forty foreign cigarettes and 0.15 kg of hand rolling tobacco was seized.
- 6.24 During the second action day five premises were visited to ascertain if they supplied tobacco. This relates to counterfeit or non-duty paid products. Three premises were found in possession of illegal products:
- the first premises in Green Lanes. Non-duty paid alcohol seized namely 5 x 1 litre Glens Vodka, 1 litre Smirnoff Vodka, 77 x 70cl Smirnoff Vodka and 2 x 70cl Famous Grouse whisky.
 - the second premises in Well Street, London E9. Non-duty paid alcohol & cigarettes seized namely 5 bottles of alcohol seized, 180 packets of Marlborough Gold king-size, 260 packets of Marlborough Gold original, and 60 packets of Marlborough Red.
 - the third premises in Goldsmith Row London E2. Non-duty paid tobacco seized. 17 packets of Golden Virginia and 2 packets of Amber Leaf 50g.
- 6.25 To address the increase in activity Window stickers for traders that sell alcohol and tobacco have been developed to display in shops to deter both customers asking for and the traders supplying illicit alcohol and tobacco. Traders are being asked voluntarily to display the window sticker saying ‘we don’t buy illegal alcohol and tobacco’. For some traders who have been found to be selling illegal tobacco and alcohol, the requirements of displaying the sticker have been added to the conditions of their alcohol licence and will be seen as a breach of their conditions if they do not comply.

- 6.26 A third action day was arranged to inspect traders to discover if they were supplying illegal tobacco. The premises visited in the borough were sites where there had been intelligence that illegal tobacco had been supplied. Officers were assisted by trained sniffer dogs who were able to detect whether tobacco is being hidden on the premises. Six premises were visited and one premises in Hoxton was found to have illegal product. Twelve packets of 20 Marlborough Gold, six packets of Benson and Hedges and eight packets of 50g Golden Virginia hidden under the counter. The packets have been sent off to ascertain whether the tobacco has only labelling/tax offences or whether the tobacco is also counterfeit.
- 6.27 The North East London Illegal tobacco group met in June to discuss communication strategies for promoting the enforcement against illegal tobacco. The strap lines for communications were:-
- Illegal tobacco makes it easier for children to smoke.
 - Illegal tobacco makes it harder to stop smoking.
 - Illegal tobacco encourages gang and criminal activity.
- 6.28 Finally the answerphone on the Service duty line 4929 has been updated to allow members of the public to report incidents of illegal tobacco and age restricted sales.

6.29 National Minimum Wage

- 6.30 The Service is committed to providing advice to traders on National Minimum Wage compliance.
- 6.31 Following a meeting with HMRC officers in April 2016 eight hundred nudge letters have been sent to traders in Hackney. These letters are reminders to traders about their duties with respect to the national minimum wage. These letters are reminders to traders about their duties with respect to the national minimum wage and the national living wage. All workers aged 25 and over are now legally entitled to at least £7.20 per hour. Letters were posted to the remaining traders in September. Contact details for the Hackney Business Network database have been forwarded to HMRC. The webinar which was scheduled for 27th July was cancelled. A series of Webinars occurred later in the year. These took place on 23rd November 2016, 30th November 2016 and 6th December 2016.
- 6.32 Following a further meeting held with HMRC a series of webinar events will be held on 15th February 2017, 23rd February 2017, 13th March 2017 and 20th March 2017. An assessment was made on the effectiveness of reminder letters (nudge letters) sent to 1000 Hackney employers. 144 calls were received from Hackney employers. Fifty-seven disclosures were made with most stating they had nil arrears. There was only one positive disclosure for one worker. HMRC stated that they were not planning any multi-agency enforcement operations however if Hackney Council did have such events

HMRC (NMW) could be invited. An article is planned for Hackney Today. The Communications Team will use the mailing list of the Regeneration Team to reach some target employers. A series of tweets will be sent from @hackneybusiness regarding the live webinars. In addition there will be a feature in the Hackney Business Network Newsletter sent out on Thursday 9th March 2017.

6.33 Shisha enforcement

6.34 A Shisha project is scheduled to be carried out with Environmental Health towards the end of March 2017.

6.35 Reducing the impact of scams on vulnerable groups

6.36 Trading Standards continue to support vulnerable adults who are preyed upon or fall victim to scammers. Officers provide and fit call blocking devices which block certain unsolicited calls from the receiver. The device then reduces the opportunity for the household to fall victim to telephone scams. The Service also return cheques which have been sent by consumers to rogue traders but intercepted by the Scambusters Team. These cheques are returned to Hackney residents by conducting visits to their homes and giving the cheques back to the victims in person. Victims are usually from the poorest sectors of the community, whom least can afford to fall victim to scam rogue traders.

6.37 Responsible Authority Licensing checks

6.38 The Service responded to 154 Licensing consultations as a Responsible Authority.

6.39 Service Improvements

6.40 Following an audit the Service has developed new procedures for their activities.

6.41 Other key recommendations from the audit included:

- Ensure that the Team Leader signs off the property disposal form for the disposal of controlled property as evidence of authorisation.
- Ensure that as a minimum an annual physical stock take is undertaken of controlled property by two officers.
- Ensure an audit of evidence was conducted.
- These activities have been undertaken.

6.42 Weights and Measures

6.43 Officers conducted 63 visits in relation to Weights and Measures and pricing. This work is undertaken to ensure that customers are not defrauded in terms of short measure. Traders have been advised to ensure the weighing indicators of the scales are visible to customers to help ensure weights are clearly understood.

6.44 Unsafe Cosmetics

6.45 Two traders were found guilty of selling banned cosmetics containing hydroquinone and mercury, high dose prescription only steroid creams and counterfeit cosmetics.

6.46 Sentencing took place on 26 May 2016. The Judge made it clear that she took a dim view of their activities and said that she would be disqualifying one of the traders from directorship as she 'simply could not trust him to run a company in accordance with the laws of this country'. The judge said she was only narrowly persuaded not to impose an immediate custodial sentence.

6.47 Sentencing was as follows:-

- Trader one
 - 10 weeks custodial sentence suspended for 2 years
 - Company disqualification of 4 years
 - Community Service 100 hours
 - Costs £10,000
 - Fine £2000
 - POCA £3661.59

- Trader two
 - 12 weeks suspended sentence suspended for two years
 - Community Service 100 hours
 - Costs £10,000
 - Fine £3000
 - POCA £99 confiscation

- Beauty Queens Cosmetics
 - £1000 fine

- Shaba Cosmetics
 - £500 fine

6.48 The Judge said that if any further criminal breaches occur in the next two years she reserves the matter and the suspended sentence will be added to any custodial sentence she imposes for that offence. This sentence reflects the serious nature of these offences and their impact on consumer protection of the community.

6.49 Rogue Traders

- 6.50 22 Wenlock Road, London N1 7TA is the source of a high volume complaints concerning rogue traders. The address is that of a mail forwarding and company registration business. The Police had concerns that fraudulent companies were operating from the address and Trading Standards financial investigators found that the company had not been adhering to the Money Laundering Regulations when creating new limited companies. In summary the business was not doing the checks it was supposed to in law and as a result rogue traders were attracted from overseas and across the country to use the address for fraudulent trading purposes. The company had rapidly become a market leader and has been registering 30,000 new businesses every year, where the majority of them went on to use the company address as their registered office. As a result of these complaints Trading Standards have worked closely with the company in an attempt to resolve the issues but ultimately took a multi-agency approach and visited the location with the Police and HMRC.
- 6.51 The company now has a structured action plan to address the various compliance interests and further HMRC inspections are planned.

6.52 Animal Feed

- 6.53 We have a register of 23 animal feed premises and will visit all registered premises due an inspection by 31st March 2016.

6.54 Financial Investigations

- 6.55 The Service's accredited financial investigators are working on an advertising board case for colleagues in Planning. The case is in its initial stages of investigation and has the potential to be a large financial investigation as the advertising company have multiple sites. Officers obtained court orders at Wood Green Crown Court and subsequently received banking information for two companies. The Service is now in the process of analysing these bank statements in order to identify criminal benefit figures. A financial analysis tool, Altia software, which will be used to create a comprehensive schedule of incomings and outgoings from bank accounts has recently been obtained. The software allows us to carry out financial analysis on bank accounts

6.56 Trademark Proceeds of crime case

- 6.57 The Service accredited financial investigators are continuing to work on a complex financial investigation on behalf of Barking and Dagenham Trading Standards Service. This POCA case involves a large company with a substantial annual turnover and a high percentage of genuine trading activities so the Altia software will be used to identify the criminal transactions in order take this investigation further.

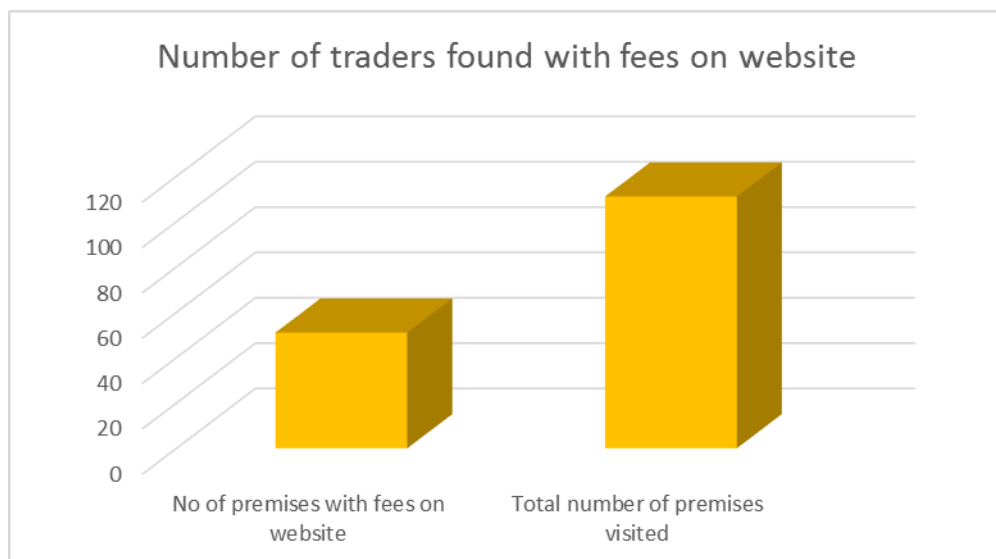
6.58 Lettings Agents

6.59 The Service visited 111 lettings agent businesses between April – December 2016. The purpose of the visits to the Letting Agents was to ensure that fees were displayed on the business website and inside the premises.

6.60 Data analysis

6.61 Premises with fees displayed on their website

6.62 The report found that of the 111 businesses visited 45.9% had the website fees displayed either on or after the visit. That is 51 out of 111 premises.

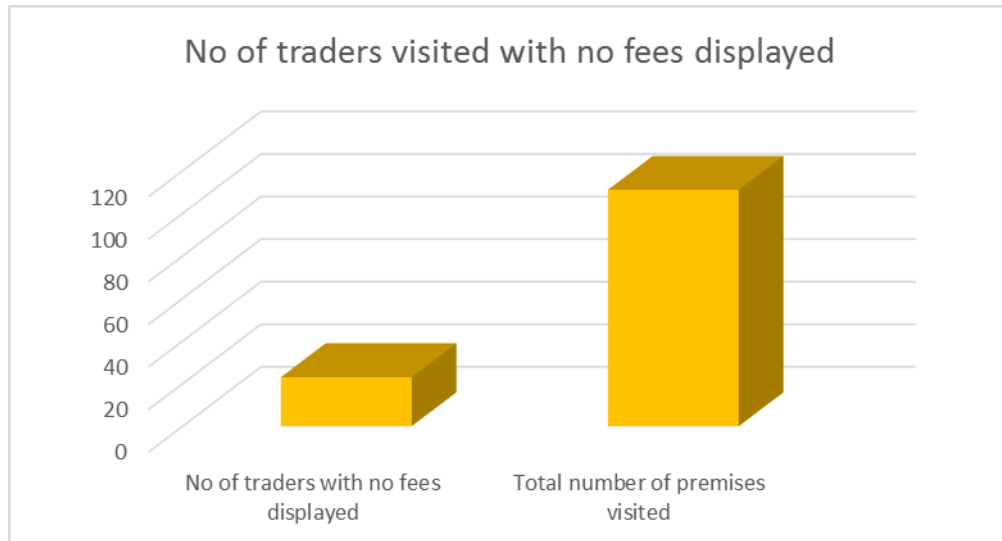


6.63 Traders with no website

6.64 Of the 111 businesses visited 16.2% had no website. That equates to 18 premises out of 111.

6.65 Traders found who did not have fees displayed on website or on premises on first visit.

6.66 23 traders out of 111 were found not to have fees on website or on the premises. This equates to 20.7%.



6.67 Summary of Lettings findings

6.68 The attitude of the businesses towards the legal requirements to display fees varied greatly. Some businesses were keen to address issues instantly at the time of visit. This tended to be smaller companies who did not have to discuss or gain approval from anyone above them. These companies were keen to gain advice from officers. Some larger companies had the benefit of information filtering down from their head offices. In those instances the Service found that the information was already displayed both on the websites and on the premises.

6.69 In conclusion, after the first contact with our known letting agents regarding fees, we have found the level of compliance in one or both of the two requirements was higher than we expected with the smaller and independent companies needing more guidance to bring them to compliance. Some of the larger companies were more compliant in general but still some had only one part of the requirement. Some follow up work is needed to raise the level of and to maintain compliance. This is a thriving sector and letting agents are opening throughout the Borough. This sector needs to be monitored to ensure those businesses new to the market are following the regulations in line with those already trading.

6.70 It is anticipated that new legislation will be enacted banning letting agents from charging fees to prospective tenants. It is expected that the bill will come before Parliament by October 2017.

6.71 Performance against priorities - Appendix 1

6.72 The direction of travel is positive and mainly on track to achieve the work plan for 2016/17.

7. COMMENTS OF THE CORPORATE DIRECTOR OF FINANCE AND RESOURCES

7.1

8. COMMENTS OF THE DIRECTOR OF LEGALS

8.1 There are no specific legal implications arising from this report.

APPENDICES

Appendix 1 – Regulatory Services Performance against priorities 2016/17 – 9 month update

BACKGROUND PAPERS

None

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