

## TYNE AND WEAR TRADING STANDARDS JOINT COMMITTEE AGENDA

Thursday, 25 February 2016 at 10.00 am in the Whickham Room - Civic Centre

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From the Chief Executive, Jane Robinson

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Item Business

1. **Apologies for Absence**

2. **Minutes** (Pages 1 - 6)

The Joint Committee is asked to approve as a correct record the minutes of the previous meeting held on 26 November 2015

3. **Revenue Estimates 2015/16 to 2018/19** (Pages 7 - 10)

Report of the Strategic Director, Corporate Resources

4. **Work of the National Illegal Money Lending Team in the North East**

Presentation by Catherine Wohlers, National Money Lending Team, Liaise Manager

5. **Report and Statistical Return for the Quarter Ending December 2015** (Pages 11 - 14)

Report of the Strategic Director, Communities and Environment, Gateshead Council

6. **Testing of Hoverboards** (Pages 15 - 16)

Report of the Strategic Director, Communities and Environment, Gateshead Council

7. **RIP Testing Brand Failures** (Pages 17 - 26)

Report of the Strategic Director, Communities and Environment, Gateshead Council

8. **Extension of Notified Body Status to North East** (Pages 27 - 30)

Report of the Strategic Director, Communities and Environment, Gateshead Council

9. **Sharing Bulk Fuel Capability with Northumberland Council** (Pages 31 - 32)

Report of the Strategic Director, Communities and Environment, Gateshead Council

10. **Update on the LGA Review of Trading Standards** (Pages 33 - 40)

Report of the Strategic Director, Communities and Environment, Gateshead Council

**11. Meeting Schedule for 2016 - 2017**

23 June 2016  
22 September 2016  
24 November 2016  
16 February 2017

All meetings will take place at Gateshead Civic Centre at 10.00 am.

Contact: Sonia Stewart, Tel: 0191 433 3045, Date: Thursday, 18 February 2016

# Agenda Item 2

## TYNE AND WEAR TRADING STANDARDS JOINT COMMITTEE

THURSDAY 26 NOVEMBER 2015 AT 10.00AM

### PRESENT:

#### **GATESHEAD COUNCIL**

Councillor K Dodds (Chair)  
Councillor T Graham

#### **NEWCASTLE CITY COUNCIL**

Councillor M Lawson  
Councillor N Kemp  
Councillor D Huddart

#### **NORTH TYNESIDE COUNCIL**

Councillor J O'Shea  
Councillor S Graham

#### **SOUTH TYNESIDE CITY COUNCIL**

Councillor A West

#### **SUNDERLAND CITY COUNCIL**

Councillor J Blackburn  
Councillor L Scanlon

**TW/26/15.**

### **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor M Foy, Gateshead Council, Councillor M Mordey and Councillor D MacKnight, Sunderland Council, Cllr A McMillan and Councillor T Dixon, South Tyneside Council.

**TW/27/15.**

### **MINUTES**

**RESOLVED -** That the minutes of the last meeting held on 24 September 2015 be approved as a correct record and signed by the Chair.

**TW/28/15.**

### **REVIEW OF THE AUDIT IN RELATION TO 2014-2015 ACCOUNTS**

The Committee received the findings from the 2014-15 Audit of Accounts, the Issues Arising Report and the corrected Annual Return.

**RESOLVED -** That the findings of the 2014-15 Audit of the Trading Standards Joint Committee be accepted.

**TW/29/15.**

## **CHANGE IN AUDIT ARRANGEMENTS**

The Committee has been advised of changes in audit arrangements from the financial year 2015-16 onwards. Joint committees previously had a statutory obligation to prepare accounts but this was repealed on 1 April 2015. However, it was proposed that the accounts process should remain the same for this Joint Committee and that it should be included in Gateshead's statutory external audit process and be risk assessed by Gateshead's Internal Audit Section.

**RESOLVED -** (i) That the proposal that the accounts' preparation process remains the same be accepted.

(ii) That the proposal that the Joint Committee/Metrology Laboratory be risk assessed by Gateshead's Internal Audit Section and placed within the Audit Plan be accepted.

**TW/30/15.**

## **REPORT AND STATISTICAL RETURN FOR THE QUARTER ENDING SEPTEMBER 2015**

The Committee received a report outlining the work of the Joint Metrology Laboratory for the quarter ending September 2015 and the statistical return for July to September 2015.

The laboratory is currently providing training for professional examinations and six candidates have confirmed attendance. The laboratory is also involved in advising industries around suitability of equipment. A number of local authorities continue to submit cigarette samples for testing.

It was suggested that there may be more opportunities to be proactive around the Metrology Laboratory's aid and advice to industry. Whilst acknowledging that there may be capacity issues it was considered that this was worth examining.

It was noted that the budget estimates for the forthcoming financial year would be presented to the next meeting of the Joint Committee on 25 February 2016.

**RESOLVED -** That the information be noted.

**TW/31/15.**

## **TRADING STANDARDS AND THE CARE ACT 2014**

The Committee has been advised of the contribution that the Trading Standards Services make to safeguarding older and vulnerable people. The Care Act 2014 sets out local authority's responsibility for older people and carers.

Trading Standards work with partner agencies and teams, for example by passing intelligence and evidence to social care teams, community safety and safeguarding. In addition, registered trader schemes are in place in some authorities and Trading Standards respond to doorstep crime and scams by raising awareness amongst older more vulnerable people and neighbours about the potential harm.

It was agreed that a representative from the National Illegal Money Lending Team be invited to give a presentation on its campaign against loan sharks at the next meeting.

**RESOLVED - (i) That the information be noted.**

**(ii) That a representative of the National Illegal Money Lending Team be invited to the next meeting as outline above.**

**TW/32/15.**

## **REPORT ON ACTIVITY AROUND FIREWORKS IN 2015**

The Committee has been informed of the activities of the Trading Standards Services in relation to fireworks in the period preceding 5 November 2015.

Partnership work was carried out between the Trading Standards Services, Northumbria Police and Tyne and Wear Fire and Rescue Service. Joint visits were conducted to known retailers of fireworks. There was also a partnership focus on the 'Darker Nights' campaigns which are aimed to reduce anti-social behaviour, particularly in the run up to bonfire night.

Trading Standards visited premises and produced guidance around under age sales. Inspection of stock showed all stock was marked correctly. There were 10 test purchases made and from that there were no sales noted, which suggests that young people are less able to access fireworks. In addition, the number of premises registered to sell fireworks is reducing and the message around sales from private dwellings continues to be reinforced.

**RESOLVED - That the information be noted.**

**TW/33/15.**

## **UPDATE ON THE SAFETY OF CHILDREN'S HALLOWEEN COSTUMES**

The Committee has received an update on product safety in relation to children's Halloween costumes. BBC Watchdog publicised the safety of children's costumes and the Chief Fire Officer's Association called for children's fancy dress clothing to meet the same safety standards as children's nightclothes, and for further research into the labelling of adult clothing.

A Halloween safety poster campaign has been developed by the Department of Business, Innovation and Skills following consultation with relevant partner organisations.

The Business Minister commissioned a sampling programme on the safety of Halloween costumes, coordinated by Newcastle City Council. 350 costumes were tested for compliance with British Standard EN71. The British Standards Institute has called a joint meeting in December to discuss the safety of toys and textiles.

**RESOLVED -** That the information be noted and further updates on this matter be received as appropriate.

**TW/34/15.**

## **UPDATE ON THE REPORT OF THE WORKING GROUP ON CONSUMER AND COMPETITION POLICY FOR SCOTLAND**

The Committee has been advised of a consumer policy by Scottish Government.

**RESOLVED -** That the information be noted.

**TW/35/15.**

## **UPDATE ON THE WORK OF THE PRODUCT SAFETY FOCUS GROUP**

The Committee has been updated on the latest safety developments of the national Product Safety Focus Group. The purpose of the group is to discuss key issues concerning the safety of consumer goods. The group consists of representatives from all regions and meets twice per year.

The current major issues of concern discussed by the group are sunbeds, niche cosmetic products, Hover Boards and children's costumes.

**RESOLVED -** That the information be noted.

**TW/25/15.      DATE AND TIME OF NEXT MEETING**

Thursday 25 February 2015 at 10.00 am

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## Report to the Tyne and Wear Trading Standards Joint Committee

**25 February 2016**

### Revenue Estimates 2015/16 to 2018/19

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**Darren Collins, Strategic Director, Corporate Resources, Gateshead Council**

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#### Purpose of Report

1. This report considers the budget estimates for 2015/16 to 2018/19 as set out in Appendix 1.

#### Background

2. The latest estimate for the Tyne and Wear Trading Standards Joint Committee and Metrology Laboratory has been prepared taking into account any variations from the original budget. The latest estimate for 2015/16 is £218,869, which is on target with the original budget. This takes into account salary slippage and premises costs, but also an increase in income arising from providing additional services to other organisations.
3. The base estimates for 2016/17 to 2018/19 have been prepared taking into account previous guidance provided by the Tyne and Wear Leadership Group.

#### Proposal

4. The proposed budget for the Tyne and Wear Trading Standards Joint Committee and Metrology Laboratory for 2016/17 to 2018/19 is set out in Appendix 1. The estimates include a pay increase of 1% for 2016/17, 2017/18 and 2018/19. An increase in fees and charges income has been applied in line with the current increase in income received, then plus 2.5% per year for each of the following years.

#### Recommendation

5. It is recommended that the following is approved by the Committee:-
  - the latest estimate of £218,869 for 2015/16 as set out in Appendix 1;
  - the base budgets of £218,869 for 2016/17, £219,151 for 2017/18 and £219,409 for 2018/19 as set out in Appendix 1.

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Contact: Leanne Barrow ext. 3621

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**Tyne and Wear Trading Standards and Metrology Laboratory**

Revenue Estimates - Lastest Estimate 2015/16 and Budget Estimates 2016/17 to 2018/19

	Original 2015/16	Base 2016/17	Base 2017/18	Base 2018/19
		£	£	£
<b><u>Expenditure</u></b>				
<u>Metrology Laboratory</u>				
Employees	200,265	208,199	210,281	212,384
Premises	40,609	37,931	37,931	37,931
Transport	2,303	2,303	2,303	2,303
Supplies & Services	28,591	28,591	28,591	28,591
Agency			0	0
Central & Dept Admin	256	256	256	256
<u>Joint Committee</u>				
Conference Expenses	3,519	3,519	3,519	3,519
Central Administration	12,166	12,166	12,166	12,166
<b>Total Expenditure</b>	<b>287,709</b>	<b>292,965</b>	<b>289,712</b>	<b>291,734</b>
<b><u>Income</u></b>				
Fees and Charges	-68,840	-74,096	-75,948	-77,847
Reserve Contributions	0	0	0	0
<b>Net Cost of Current Level of Service</b>	<b>218,869</b>	<b>218,869</b>	<b>219,151</b>	<b>219,409</b>
<b>Recharge to Districts</b>				
Gateshead	-39,663	-39,663	-39,714	-39,761
Newcastle	-55,504	-55,504	-55,575	-55,641
North Tyneside	-39,779	-39,779	-39,830	-39,877
South Tyneside	-29,344	-29,344	-29,382	-29,416
Sunderland	-54,579	-54,579	-54,649	-54,714
<b>Total Recharges</b>	<b>-218,869</b>	<b>-218,869</b>	<b>-219,151</b>	<b>-219,409</b>

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# Agenda Item 5



## Report for the Tyne and Wear Trading Standards Joint Committee

25<sup>th</sup> February 2016

### Report and Statistical Return for the Quarter Ending December 2015

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council.**

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#### Purpose of the Report

To inform the Committee of the work of the Joint Metrology Laboratory for the quarter ending December 2015.

#### Operational

1. The laboratory continues to support the five authorities of the Tyne and Wear region offering specialist services, equipment and personnel and conducting petrol verifications.
2. It also provides training in metrology for trading standards candidates to sit the professional examinations at National Measurement Regulatory Office

#### Aid and Advice to Industry

3. Local weighing machine repairers, chemical, pharmaceutical and aeronautical companies continue to submit their test weights, scales and length measures for calibration and equipment hired.
4. The laboratory has been asked by industry to supply new weights and this has been facilitated.

#### EC Verifications

5. During this period, the laboratory has conducted petrol dispenser, retail scales, manufacturing equipment and weighbridges and capacity serving measures.

#### UKAS Calibrations

6. Weights continue to be submitted for calibration and issue of UKAS Calibration Certificates of which there were 926.

#### Toy Safety

7. Only a few samples were submitted by the authorities and all were found to be compliant with legislation.

## **Electrical Safety - PAT**

8. The laboratory has been continuing to provide services to Gateshead Council's catering team for school kitchen electrical safety, and a number of issues have been raised. The income supports the work of the lab and Joint Committee.

## **Cigarette Samples**

9. 38 samples of cigarettes were submitted to the laboratory for reduced ignition propensity testing and were found to be non-compliant with legislation.

## **Training**

10. The laboratory ran the Trading Standards Institute's practical and oral examination in October and there were candidates from around the UK present.

## **Statistical Return**

11. The statistical return for the period October to December 2015 is contained within Appendix 1.

## **Recommendation**

12. The Committee is recommended to note the report and statistical information.

## APPENDIX 1

### STATISTICAL RETURN FOR THE QUARTER ENDING Dec. 2015

Activity	Number	Income
S.74 (4) (b) verifications	26	£934.88
EC Verifications	57	£282.92
UKAS Accredited calibrations	926	£16482.98
Toy / Electrical tests	0	0
Weighbridge	273	£1189.16
Hire of weights	3	£457.65
PAT testing	1	£38
Additional Income		
Training	1	£2000
RIP testing	40	£8000
<b>Total Income (ex VAT)</b>		<b>£28167.79</b>

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# Agenda Item 6



## Report for the Tyne and Wear Trading Standards Joint Committee

25<sup>th</sup> February 2016

### Testing of Hoverboards

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council.**

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#### Purpose of the Report

1. To inform the Committee of the involvement of the Metrology Laboratory in testing the electrical safety of the wheeled appliances commonly referred to as swegways or hoverboards.

#### Operational Issues

2. The media has carried many reports on the electrical and fire risks that these items have presented in the run up to Christmas.
3. Officers from Tyne & Wear procured boards from sellers in the region and submitted them to the Metrology Laboratory for an opinion on their electrical safety. Boards were also submitted by Northumberland for testing.
4. The Metrology Laboratory has the experience and equipment to offer screen testing only, that is not accredited testing.
5. The results from the testing were very discouraging and revealed numerous electrical faults which would render them dangerous. Of concern in some was the ability to keep supplying current to an already charged battery which then allows the battery to overheat and potentially ignite. Other problems included;
  - Non-compliant plugs: Cloverleaf plug with no fuse and non-approved fake plug with incorrect markings and counterfeit fuse (BSI approval kite mark back-to-front and fictitious approval body STGD).
  - No branding or manufacturers details on packaging or product
  - Misspellings on the packaging or product or instructions
  - Charger with no manufacturer details
  - No CE marking. Non-compliant CE marking. Very poor CE marking
6. Reports were issued to the officers who were then free to pursue any actions their authorities deemed appropriate.
7. In light of the concerns Gateshead made an appearance on ITV news warning the public about our concerns to add weight to the national coverage. Officers of the Metrology Laboratory appeared on camera to explain the inherent problems associated with the boards.
8. The Metrology Laboratory offered a service to the councils that if staff had purchased one of these items as a Christmas present they could bring it to the Lab for a quick safety check. The results were the same as from those previously tested.

9. Gateshead trading standards visited national retailers as well as local traders who were selling hoverboards for between £250 - £400. These boards didn't comply with electrical safety or traceability. The boards were seized until the traders could provide sufficient information to show compliance with the legislation. To date, the information has not been provided.
10. Sunderland Trading Standards have been actively involved in the patrolling of local and national retailers in relation to the safety of self-balancing scooters. Seven retailers were inspected, which resulted in one suspension notice being issued with the remainder withdrawing their products from sale and issuing recalls to their customers. One of the local retailers was identified as an importer and has been made aware of his obligations in relation to product safety as a result. In addition, several enquiries from concerned residents highlighted the trade in this type of product online. This resulted in a number of other local authorities nationwide being notified that they had importers in their area and assistance being provided to colleagues to bring these companies into compliance. Due to the direct intelligence obtained by Trading Standards Officers, Sunderland City Council issued a press release prior to Christmas to warn consumers as to the safety of hoverboards.
11. South Tyneside carried out 13 trader advisory/market surveillance visits and 1 market surveillance visit to the market place, of which:
  - 1 national trader was due to sell them but had suspension notice issued by another TS service (Close liaison with Inverclyde TS & Warwickshire TS regarding issues)
  - 1 national trader had previously sold them but had no stock left
  - 1 national trader advertised them as for sale in the store but customers were referred to their website.
  - 5 consumer complaints (all purchased online) incl. one which was tested at the Metlab.
  - 2 Consumers received full refund for the item
  - 3 consumers advised with regards to the legislation etc
  - South Tyneside Press release issued 15-12-15  
[\(http://www.southtyneside.gov.uk/article/29179/Safety-Concerns-Over-Hoverboards\)](http://www.southtyneside.gov.uk/article/29179/Safety-Concerns-Over-Hoverboards)
12. National Trading Standards intends to draw a project brief together around the 'lessons to be learnt' from the hover boards issue and the significant impacts that the issue has had on many different parties including consumers, businesses, Government and Trading Standards services.

### **Recommendation**

13. That the committee note the contents of the report and the involvement of the Metrology Laboratory's role in public safety.

# Agenda Item 7



## Report for the Tyne and Wear Trading Standards Joint Committee

25<sup>th</sup> February 2016

### RIP Testing Brand Failures

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council.**

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#### Purpose of the Report

1. To inform the Committee of the results of the failures found in testing for the reduced ignition propensity of cigarettes for the calendar year 2014 to 2015 and the difficulties that Trading Standards faces in removing these products from the market place.

#### Operational Issues

2. The samples were submitted to the Metrology Laboratory from a wide range of UK local authorities and the report appended as annex 1 depicts the brands that fail fire safety testing. This catalogue of failures reveals that a mixture of counterfeited products and so called cheap whites are causing the problems associated with house fires caused by discarded ignited cigarettes.
3. What is becoming apparent is the number of different brands that are being made available bypassing the normal supply chain with its inherent legal requirements in health and taxation.
4. The testing that has been undertaken by the Metrology Laboratory has been presented in court on numerous occasions and that have resulted in successful prosecutions under Consumer Protection legislation. .
5. A recent publication by the Chartered Institute for Trading Standards revealed that only 13% of Local Authorities had submitted samples for RIP testing. One of the issues mentioned was that there were too few officers in some authorities to take on more duties.
6. The newly adopted Tobacco Directive will have a requirement for HMRC to license producers and importers of tobacco products and equipment with an optional regime for retailers that could be implanted by member states.

#### Recommendation

7. That the metrology laboratory invest more resources into expanding testing for RIP.
8. That the metrology laboratory aggressively targets the 87% of local authorities who are not using these tests as part of their enforcement strategy.

9. That the Committee supports a licensing regime for tobacco products which would allow an income stream into Trading Standards to be used to conduct this important work in health and fire safety.

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Contact: Andrew Hayward, Gateshead Council on 0191 4784550 or email  
[andrewhayward@gateshead.gov.uk](mailto:andrewhayward@gateshead.gov.uk)

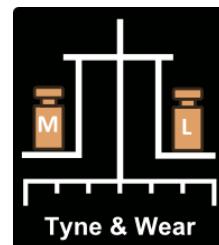
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# Failures Found in 2015

Reduced Ignition  
Propensity –  
Screen Test for  
Cigarettes BS EN  
ISO 12863:2010

**TYNE AND WEAR TRADING STANDARDS JOINT COMMITTEE**

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	Bahman
	NZ Gold
	Brendal
	Lifa
	Marlboro Gold
	Surya
	Surya Legend

	PECT
	L&M Red
	Black Mount
	Jin Ling
	Business Royals
	Mayfair
	Richman

	email
	Regal
	821
	Palace
	Goal
	League
	Gold Classic

	L&M Red
	Ducal
	Compliment
	Minsk Capital
	Gold Mount
	777
	L&B

	Esse Aura
	Esse Aura
	Alster Black
	PECT Blue
	Brass
	Richman Royal
	JPS Black



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## Report for the Tyne and Wear Trading Standards Joint Committee

25<sup>th</sup> February 2016

### Extension of Notified Body Status to North East

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council.**

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#### Purpose of the Report

1. To inform the Committee of the proposal to merge the existing Notified Body 0520 Tyne and Wear Trading Standards with Northumberland, Durham and extend into Darlington, Middlesbrough, Stockton, Redcar and Hartlepool for the purposes of the Non-Automatic Weighing Instruments Regulations 2000 and (Various) Measuring Instruments Regulations 2006.

#### Operational Issues

2. The existing Notified body performs verification activities under the European legislation upon weighing and measuring instruments first placed onto the market as a third party verification organisation. To be notified, the Secretary of State has to consider the competence of the body and when satisfied, notifies the commission; the Metrology Laboratory has held this status since 1993. Due to recent changes to the Directives which are the source of the regulations we operate this activity under, the commission has ordered that all such bodies be re-notified by the end of March 2016. It therefore seemed an appropriate time to consider the continuance and viability of this service provision in its current format in the North East.
3. The Proposal is to create a regional Notified body encompassing the whole NETSA region, based upon the existing shared arrangements in the Tyne and Wear Notified body system, Lead Authority to remain as Gateshead MBC. A SWOT analysis for the extended is produced as Appendix 1 to this report.
4. Other Notified bodies in the UK do actively market their services and are effectively in competition with us in this respect as there is no barrier to conducting such work outside the Authority area. There is also competition in this field from private industry who in doing such work can simultaneously carry out functions upon the equipment which is currently barred to local authorities; there is pressure currently on the Government to open this activity up to local authorities to allow them to compete for services; this is an opportunity to increase income in the region.
5. The European Commission is presently considering that all Notified Bodies in the UK be subjected to annual audit by the United Kingdom Accreditation Service (UKAS) instead of the current peer audit process. As the Metrology Laboratory has UKAS accreditation for its main duties it would be an extra cost but not an extra burden. Other Notified Bodies have intimated that they would withdraw if

that change was imposed. The effect on North East industry is to remove competition and may impact negatively on our regional economy.

6. To facilitate any extra administrative earnings that may be incurred by the Metrology Laboratory a small annual fee will be charged to the other authorities that are not within the current membership.

### **Recommendation**

7. That proposal is approved subject to any conditions that the committee feel is appropriate.
8. That such a proposal increases the influence of Tyne & Wear Trading Standards, and benefits the regional economy in the North East of England.

## Appendix 1

### SWOT Analysis conducted by the North East Region

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Shared competence</li> <li>• Shared resources</li> <li>• Shared costs</li> <li>• Administration efficiency</li> <li>• New approach regulated equipment is taking over from old approach, with its more flexible arrangements, so there is less call on equipment which can only be done by "the Local W&amp;M Inspector".</li> <li>• In total more available officers in the pool of those trained and competent in more product areas, but less required in each Authority.</li> <li>• Robust auditing to date has led to confidence in NMRO.</li> <li>• The viewed independence of Local Authority services is often preferred to private industry bodies who are part of larger organisations with vested interests.</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Loss of individual identity</li> <li>• Rigidity the system imposes on the agreement, but there is a strategy to deal with that,</li> <li>• Our individual existing service provisions are not sustainable in the long term</li> <li>• Impending Local Government change out of the control of this Authority</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Increased market share for all the authorities.</li> <li>• Increased competence/specialist knowledge available to each Authority.</li> <li>• Promote a brand which each authority has a share in.</li> <li>• Possible competition with Industry.</li> <li>• Supporting local businesses.</li> <li>• Provide unique expertise to local industry.</li> <li>• Increasing business acumen within all services.</li> <li>• One stop shop for business for the region.</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• Further cuts imposed by Government reducing the response times necessary to provide a good service to customers</li> <li>• Can't diversify into concurrent tasks which private industry can do.</li> <li>• Current system will be non-existent in 5 years if the status quo is maintained.</li> </ul>

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25<sup>th</sup> February 2016

### Sharing Bulk Fuel capability with Northumberland

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council**

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#### Purpose of the report

To inform the Committee of the proposal to share costs (not ownership) of the specialist bulk fuel testing equipment with Trading Standards for Northumberland.

#### Operational Issues

1. The current reference meter used in the inspection of small fuel tankers that typically supply central heating oils to customers not connected to mains gas is operated by the metrology laboratory on behalf of the five Tyne and Wear authorities.
2. The calibration costs of the unit are large and involve taking the unit to Warwickshire on a six monthly cycle.
3. Gateshead has recently lost its last remaining bulk fuel haulier who has sold the business to a Stockton based haulier, which leaves operators in Tyneside's North and South.
4. Northumberland have hauliers and currently hire the bulk fuel meter from Tees Valley Measurement in Middlesbrough at a premium price for days hire.
5. If the metrology laboratory and Northumberland share the calibration costs on an annual basis and allow Northumberland to use it when the need arises without a daily hire charge then both organisations save financially and keeps the necessary competence for officers in our region.

#### Recommendation

6. That proposal is approved subject to any conditions that the committee feel is appropriate.
7. That such a proposal benefits the Notified Body and therefore increases the influence of Tyne & Wear Trading Standards, and benefits the regional economy in the North East Local Enterprise Partnership area.
8. The Committee is asked to note the information.

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Contact: Andrew Hayward, Gateshead Council on 0191 4784550 or e.mail  
[andrewhayward@gateshead.gov.uk](mailto:andrewhayward@gateshead.gov.uk)

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# Agenda Item 10

## Report to the Tyne and Wear Trading Standards Joint Committee

25 February 2016

### Update on the LGA Review of Trading Standards

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**Paul Dowling, Strategic Director, Communities and Environment, Gateshead Council**

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#### Purpose of the report

To update the Committee on the Review of Trading Standards.

#### Introduction

1. In summer 2015, the Local Government Association (LGA) launched a short and high level review into the future of local government trading standards services. The review followed on from the LGA's Remodelling Public Protection<sup>1</sup> report, which sought to highlight the challenges faced by council trading standards, licensing and environmental health teams following significant budget cuts. The review also responded to the outline vision for the future of the trading standards published by the professional body, the Chartered Trading Standards Institute (CTSI).
2. CTSI's vision proposed the creation of new strategic trading standards authorities and urged government to undertake further work to explore the proposal. The LGA's Safer and Stronger Communities Board (SSCB) had and received a number of concerns about the proposal, and therefore committed to undertaking a local government led review of the service. The LGA review ran alongside a review undertaken by the Department for Business, Innovation and Skills (BIS) and Better Regulation Delivery Office (BRDO) focusing on central government's requirements from the service.
3. The objective of the LGA review was to:
  - understand what local government needs from its trading standards services
  - consider the options for the future of the service, with a view to outlining a series of recommended next steps to further explore and take forward.
4. To deliver this, the review:
  - undertook a short survey of English trading standards authorities
  - established a stakeholder group comprising councillors, council chief executives and directors, and representatives of the Association of Chief Trading Standards Officers (ACTSO), CTSI and National Trading Standards (NTS)
  - ran a series of interviews with members of the stakeholder group
  - held a stakeholder group workshop to discuss key issues identified in a project discussion paper

- reported back to the LGA SSCB in early December 2015 with key findings.

## **Context**

5. The review was largely conducted in the run up to the 2015 spending review, and it is helpful to start by providing some broader local government context. Over the course of the 2010-2015 Parliament, local government funding from central government was cut by 40 per cent. Government projections suggest significant reductions to grant funding between 2015-2020 will be partially offset by locally raised income to give an overall reduction of 6.7 per cent in real terms.
6. Government has committed that by 2020 local government will retain the total sum it raises through business rates; it remains to be seen whether the details of this as they are worked through will have any specific impact on business-facing services such as trading standards and other regulatory functions.
7. Figures suggest that over the 2010-2015 period, the average cut to trading standards budgets in England was 40 per cent, mirroring the overall cut. However, as was clear from the LGA survey of trading standards services, this average figure masks a wide variation in changes to trading standards budgets in individual councils, with some teams cut by significantly more than 40 per cent, and others by significantly less.
8. With more grant reductions to come over the current Parliament, the clear reality is that most trading standards (and other) services can expect further cuts in funding over the next four years given ongoing spending pressures in areas such as social care.
9. The £533 million reduction in public health funding over 2015-2020 is also likely to have a particular impact on trading standards, given that public health has supported a number of trading standards posts in recent years, notably on work to tackle illegal alcohol, tobacco and under-age sales.
10. Alongside local government finance, devolution was the other dominating issue for local government in 2015, and will remain so as we progress through 2016. With a number of areas already having devolution deals agreed, and others in development, the implications for trading standards and regulatory services thus far appear limited.
11. Only the devolution bid for the North East included the devolution of regulatory powers. Regulatory services are being factored into devolution discussions because of their role in supporting businesses and local economic growth, key themes for the new combined authorities.
12. Devolution deals may provide an opportunity to consider the geography of some trading standards services.

## **Key messages from the review**

13. That trading standards should remain fully integrated within local government. There was a strong commitment to trading standards remaining fully integrated

within local government. Without exception, trading standards was seen as a valuable service able to support local priorities, communities and businesses.

14. Between wider regulatory services (in unitary authorities), but also with other services such as public health, social care and economic growth. There was concern that creating strategic trading standards authorities that were separate to current local government structures would create additional costs and weaken the important links with other council services. While it was acknowledged that there may be a case for removing certain specific or isolated trading standards functions from local government if there were other appropriate homes for them, there was no appetite to see major changes in how trading standards services are managed.
15. In terms of answering the question ‘what does local government need from its trading standards services?’ there was a clear steer that councils value trading standards as a flexible and responsive resource that can be targeted to achieve different outcomes depending on local priorities. The service offers a range of different tools to support local priorities, whether that is tackling under-age sales or anti-social behaviour, engaging and supporting rural communities, providing support to local businesses or a combination of all of these. From a local perspective, this means that trading standards may look very different in different places, depending on the local area.
16. This local diversity can create some challenges in reflecting the role of the service, given that trading standards covers a wide range of responsibilities which have little in common (e.g., cybercrime and animal health) beyond the overarching, historic and very broad objective of protecting consumers, businesses and local communities. However, one of the strengths of the service is that it has proved to be flexible and adaptable, with priorities evolving over time to reflect new issues (such as under-age sales or cybercrime) or downgrade others (such as pricing). There was a clear message that local leaders valued the flexibility of this resource, and wanted to retain that.
17. However, trading standards isn’t simply about addressing local issues and priorities; as was noted at the stakeholder group workshop, trading standards operates at individual, local, regional and national levels depending on the issues it is dealing with. This differs from the typical situation in other services, which often have a narrower focus than trading standards and where local and government priorities are more likely to be aligned rather than effectively competing for limited resources.
18. There are clear challenges associated with using local services to deliver national responsibilities when overall funding has fallen to the extent that it has.
19. Local authorities will inevitably lean towards prioritising scarce resources on local issues that have a visible impact on their communities over national ones which may not do, particularly when government can provide no indication of what funding it is providing for trading standards, or any clear sense of what its overall priorities for the service are. This calls for two responses; firstly, greater clarity about what capacity there is to address both local and national priorities, and secondly, action to ensure that services are set up in a way that enables them to address a wide range of activity and the right balance between local and national priorities.

20. The mechanisms already in place for managing local, regional and national trading standards work can provide a solid foundation for future management of different levels of trading standards work.
21. Trading standards has already put in place mechanisms for managing cross-border regional and national work. Alongside locally led trading standards work led by individual council teams, joint working through regional trading standards groups is well established, and the creation of NTS has provided a mechanism for managing work on national trading standards issues.
22. Existing structures have the potential to provide a solid foundation for the future, and there is no obvious or immediate need for new structures to tackle cross-border trading standards issues arising at regional and national level. NTS provides a sensible model for using local services to tackle national issues. As demonstrated by the Food Standards Authority's decision to use NTS to coordinate regional feed activity, it also offers a pragmatic route for commissioning specific areas of work that must be locally led but may not always be local priorities, and therefore a way of addressing the inherent challenge of balancing competing local/national priorities.
23. However, alongside a possible reduction in BIS funding for NTS (following the department's 17 per cent funding cut in the spending review), the major challenge to the future of NTS is that its local foundations are being weakened. For example, as trading standards teams reduce in size, it will become harder for NTS to find local services that can host NTS teams. The local intelligence on which NTS is reliant may become degraded without local resource to support it. Heads of service are increasingly stretched (often across multiple services) and may be less able to dedicate the time required to support the board. Therefore, to ensure that the current regional and national working structures can provide a sustainable way of working in future, we must ensure that local trading standards services, the foundations of the whole model, are strengthened.
24. There was a clear steer in the stakeholder group discussions that there is a minimum level of resilience (and service) for trading standards, and that larger services are considerably better placed looking ahead to the future. It is notable that the strongest rejection of CTSI's suggestion that the current system is broken came from those services that have created larger joint services operating across two or more authorities.
25. Even following the cuts, these services retain relatively large staff bases, are able to cover a range of specialisms, and believe that they are sustainable and resilient. Conversely, it was suggested that some services had already reduced to the point where they could not be said to be sustainable, and that there was a need for local government to be much more robust about the need to provide a minimum level of service.
26. A clear message from the review is that although larger services are likely to prove more sustainable in the long term, there is a need for more honesty – locally, but especially nationally – about the fact that no service can deliver what it used when it experiences cuts of the order trading standards has, whatever size it was to start with or is now. Put simply, current level of resources cannot

sustain the same level of protection, across the same number of areas, as was the case previously.

27. That being the case, there is a need for openness about what is being delivered and what isn't; locally, there should be clear governance and political accountability for these decisions. WYJS was held up as a good example of a service with a significant level of member oversight due to its joint committee structure. In other places, it has been suggested that there is less political oversight and involvement with the service than might previously have been the case.
28. As was said in Remodelling Public Protection, there is a need for a more realistic approach from government about the extent to which regulatory services can absorb new responsibilities given the pressures they are under. Trading standards already have well over 200 statutory responsibilities, and over the course of the review, three new ones came into force or were introduced into Parliament:
  - reporting responsibilities in relation to the display of Energy Performance Certificates (thereby attaching new burdens to a low priority responsibility)
  - enforcement responsibilities for new plastic bag charges
  - enforcement responsibility for the new apprentice brand
29. Government must do more to acknowledge that capacity at local level is already fully stretched, and shift away from its default approach of making trading standards responsible for all manner of enforcement activity.
30. It would also be helpful if government could provide greater clarity about the prioritisation of existing statutory responsibilities which have more of a national dimension than a local one. Trading standards services are already prioritising different types of activity based on intelligence, levels of detriment and local priorities: a clear steer from central government about which of its policy areas it needs local teams to prioritise – and which it doesn't – would be helpful. The two trading standards reviews have generated discussion about the shift away from undertaking work in the area of pricing, for example, as well as weights and measures. A clear statement from government as to whether it considers such examples to be acceptable, in the context of limited resources and other priorities, would be an extremely useful outcome from the central government review.

### **LGA response to the Review's key messages**

31. The LGA welcomes the support expressed during the review for retaining trading standards within local government. As they set out in summer 2015, they believe that trading standards should remain within local government, with local control over local trading standards work, and separate governance mechanisms for the regional and national NTS work funded centrally by government. This will ensure a flexible local resource able to target local issues and support local priorities, alongside structures to direct strategic national work, with NTS overseeing project teams to undertake coordinated and focused work.
32. LGA endorse the need for greater national prioritisation of the diverse range of duties that trading standards are responsible for. Government must be clear, and realistic, about setting national trading standards priorities. It must recognise

where regulation, whether national or European, is diverting resources to low risk work that burdens regulators as well as businesses (and often more so), sometimes without any discernible benefit – as in the case of the energy performance certificates. LGA says that this must be addressed by government.

33. On structures, they also agree that, in order to ensure the future sustainability of trading standards work, councils should explore the options for sharing their services to create larger units. There is no one size fits all model for different councils, but having fewer, larger trading standards services, which serve more than one council but sit fully within local government structures, is likely to help ensure greater long term resilience of trading standards expertise.
34. They say that, in particular, this would allow greater capacity for the development of commercial approaches, which we believe have an important role to play in supporting regulatory services in future. They urge councils looking at creating larger services to learn from areas that have successfully introduced new structures (such as West Yorkshire, Devon and Somerset and Surrey and Buckinghamshire) – in particular, how they have successfully balanced the benefits of larger services while retaining local accountability and prioritisation.
35. Although LGA notes that a clear picture of what a minimum service looks like does not exist, they also acknowledge that wide disparities in trading standards resourcing in similar authorities raise question marks about the extent to which levels of protection are consistent in different areas. Such disparities between often neighbouring authorities – which cannot realistically be accounted for by greater efficiency, or differing local circumstances – can ultimately pose significant reputational challenges for local government as a whole.
36. LGA believes that there is therefore a strong argument for individual councils where services have reduced to a very small size, or where they are significantly out of line with other similar authorities, to risk assess their services and consider any alternative options for accessing and providing expertise across a range of different areas.
37. They do not believe that a uniform model is desirable, because there will be justifiable reasons why structures ultimately look different in different places and we therefore would not support mandating a new approach.
38. The LGA believes that larger services could be formed that fit within the new combined authority areas, but this may not be the case everywhere, and certainly some existing arrangements differ from emerging devolution arrangements. Alongside larger shared services, alternative approaches could include mutual aid agreements and memorandums of understanding that facilitate the sharing of cost and expertise between councils. This may also help to enable the maintenance of specialist trading standards functions within smaller authorities. However, what matters most is that councils are able to develop the approaches that most suit their areas and local priorities, and can make these work within the changing map of local government.
39. They are aware that in many councils (although clearly not all, given different council responsibilities), trading standards currently forms part of a joined up regulatory services unit. The LGA does not believe it would be beneficial to pull

trading standards out of this type of unit in order to create larger trading standards units operating across council boundaries. In contrast, they believe that there is scope for exploring the role that larger regulatory units including trading standards and other regulatory services could provide in the future. This might be of particular interest in some of the new combined authorities where regulatory services sit within the same tier of local government.

40. The LGA are bidding for resources to help with regulatory services reviews.

**Recommendation**

41. The Committee is asked to note the information as contained within the report.

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