



## ABERDEENSHIRE COUNCIL – 25 APRIL 2013

### AUDIT SCOTLAND REPORT- PROTECTING CONSUMERS

#### 1 Recommendations

The Council is recommended to:-

- 1 **Consider the outcome of the Audit Scotland Report - Protecting Consumers, recognising the importance of the Trading Standards and the Environmental Health Food Safety services in protecting consumers and the community.**
- 2 **Agree to work through COSLA to improve the national coordination of Trading Standards.**

#### 2 Background/ Discussion

- 2.1 Audit Scotland has produced a report assessing how well Councils protect consumers from unfair treatment or from being put at risk by businesses from whom they buy goods and services. The scope of the audit covered trading standards services and the food safety work of environmental health services. Trading standards services in Scotland were last examined by Audit Scotland in 2002. The report can be found on the [Audit Scotland website or via this link](#).
- 2.2 The report identifies the effects when things go wrong, from consumers losing money, experiencing stress or anxiety, or risking illness, injury or even death. These risks are heightened in the current economic climate, as people seek lower prices and some businesses look to cut costs by cutting corners.
- 2.3 The report is broadly satisfied with the food safety regime albeit recognises some loss of resources over the last 4 years. Data shows a steadily improving performance for Scotland, and the Food Standards Agency promotes national standards and priorities, with associated coordination. The report therefore concentrates mainly on the issues for trading standards.
- 2.4 The Audit Scotland report is concerned about the long term viability of trading standards services, with services experiencing greater than average staff reductions over the last 4 years. They and food safety services have experienced a loss of experience and expertise and have too few trainee posts to help replace this loss in the future. There are currently only 3 trainee trading standards posts across the whole of Scotland (1 of which is in Aberdeenshire) and 10 trainee food safety posts.
- 2.5 Nearly half of Councils now have 8 or fewer trading standards staff (Aberdeenshire has 18 Officers plus support staff). This is significant because the last audit, conducted in 2002, found that services of this size had insufficient flexibility and range of expertise to meet acceptable standards. The report also identified that the number of staff or level of resources did not necessarily reflect the risk profile of businesses within an authority.

- 2.6 Some Councils have informal collaborative working arrangements but only one formal shared service has been developed between Stirling and Clackmannanshire Councils, despite a number of Authorities exploring the option.
- 2.7 The report found Councils were targeting their resources at the highest risk areas however there was a lack of consistency in assessing risks and using intelligence. Some authorities no longer provide a consumer advice service which means they have less information on the local risks faced by their consumers. The different level of service can also be confusing for consumers and there was a lack of awareness of where to go for help.
- 2.8 The report also highlighted the contrast in national coordination of food safety and of trading standards. The Food Standards Agency has supported the development of national standards and priorities and a reporting framework for Councils' food safety services. Trading Standards on the other hand have no similar body and currently have no identified national standards, priorities or national system of performance reporting. This makes it difficult for Councils to benchmark and ensure they are providing an efficient and effective service.
- 2.9 The report outlines a number of recommendations:
- Councils should:
- work with the FSA in Scotland and, in future, the new Scottish food safety organisation to develop a workforce strategy, which identifies the staffing levels and skills required to sustain an effective food safety service over the next 5–10 years, and take action to address any shortfalls identified
  - ensure they have access to, and make use of, intelligence to help determine their local priorities, and contribute intelligence to information systems that support the work of other Scottish and UK councils, and the national teams
  - develop a clear direction for the future of their consumer protection services and satisfy themselves that they are allocating resources where they are most effective and in a way that appropriately reflects the risks, national and local priorities and the needs of local communities
  - ensure their work on lower risk areas is sufficient to prevent them becoming more serious risks
  - ensure they monitor and manage the performance of all their consumer protection services using appropriate measures of performance that enable benchmarking, and report performance regularly to councillors, senior management and the public.

COSLA and councils should:

- work together to ensure strong national coordination for trading standards in Scotland that includes:
  - maintaining effective links with UK-wide arrangements
  - analysing intelligence to identify national risks
  - agreeing national priorities
  - developing national service standards and keeping these under review
  - establishing a system for scrutinising and publicly reporting councils' performance against these standards
- in developing arrangements for national coordination, explore a full range of options for redesigning trading standards services, including:
  - greater use of more formal joint working
  - creating fully shared services
  - establishing a national service
- liaise with the Scottish Government on the future of trading standards services where this involves organisational or service issues for which it has responsibility
- develop a workforce strategy, which identifies the staffing levels and skills required to sustain an effective trading standards service over the next 5–10 years, and take action to address any shortfalls identified
- ensure that councillors are fully informed and supported to make decisions about the future of services to protect consumers
- work with the Citizens Advice Service and others to increase awareness and understanding among consumers of where they can get advice and help when buying goods or services, particularly when things go wrong.

2.10 It further provides the following questions for councillors

- 1) Am I confident in the systems that the Council has in place to assess the risks facing consumers in my area?

- 2) Am I satisfied that the council's services to protect consumers are adequately resourced relative to the services provided and the level of risk facing consumers?
- 3) Does the Council have a workforce plan to ensure the viability of its services to protect consumers over the next 5-10 years?
- 4) Does the information I receive about the council's services to protect consumers tell me how well it is performing relative to other councils?
- 5) Am I confident that the council is using local intelligence effectively to guide how it uses its resources to protect consumers?
- 6) Do my constituents know where to go for help when they have difficulties with a purchase that they cannot resolve themselves?
- 7) Is the council sharing intelligence with other councils where there are threats to consumers that cross council boundaries?
- 8) How is the council working with other councils to protect consumers? Are these arrangements sufficiently robust and formalised?

The Trading Standards Section in Aberdeenshire started producing an annual report on the function in 2012 which is reported to the Infrastructure Services Committee. In addition customer surveys are regularly undertaken involving consumers and traders with the findings influencing future arrangements. Through these actions and the benchmarking initiative described in 2.13 Members should be reassured that the information is available to address the question above.

- 2.11 Aberdeenshire Council has the 6<sup>th</sup> highest number of staff working within trading standards across Scotland and has currently 18 officers plus support staff. This does not take account of population or number of businesses and is slightly less than average when the risk profile of businesses is taken into account. Despite budget savings we do retain a trainee post and were one of only three Authorities employing a trainee at the time of the audit.
- 2.12 The service continues to provide a consumer advice service, and continues to receive referrals from the Citizens Advice national helpline where further help is required. In 2011-12, 1437 consumer complaints were received and this enables the service to identify the issues affecting local residents. The service also subscribes to a national intelligence database sharing intelligence across the UK and enabling future national intelligence analysis.
- 2.13 A nationally agreed Risk Assessment scheme is employed to rate businesses within Aberdeenshire and enable us to target resources at higher risk traders. This scheme has recently been updated and the updated version will be implemented within the service during 2013-14.

- 2.14 The performance of the service has remained fairly constant over the last 3 years with between 94.4% and 100% of high risk visits carried out by the due date and between 69.4% and 77% of consumer complaints completed within 14 days. Figures for 2011-12 show Aberdeenshire ranked 22<sup>nd</sup> for this latter performance measure. It needs to be recognised however that this measure reflects complexity of issues dealt with and differing types of service provided as well as simply 'time taken'. The report however highlights the limited number of performance measures in place for trading standards to enable them to benchmark with other authorities and this is not currently carried out beyond the above comparison. Work is currently being piloted through the Association for Public Service Excellence (APSE) to develop a suite of performance measures to enable benchmarking across trading standards services in Scotland.
- 2.15 Many of the shortcomings identified relates to a lack of national coordination for Trading Standards. A task group has been set up within COSLA as part of the UK Government's changes to Consumer Protection across the UK. The role and remit of this group is now proposed to include a number of initiatives designed to address some of the weaknesses identified in the report.
- Specifically they have produced a business plan for 2013-14 which includes the following activities;
- 1) Undertake work to establish a single team ('Trading Standards Scotland') incorporating the Scottish Illegal money lending team, Scottish Scambusters and the Scottish E-Crime unit.
  - 2) Engage with local authority trading standards services to identify national and local priorities
  - 3) Promote the use of the MEMEX Intelligence database
  - 4) Establish a Scottish Tactical Tasking and Coordinating Group. This group will use intelligence data and task the national team and local authority trading standards services enabling them to target resources at high risk, problem traders.
  - 5) Develop performance indicators to assess effectiveness of information sharing systems and enforcement activity
  - 6) Scope out ways in which local authorities could best share services
  - 7) Explore potential sources of future funding
  - 8) Develop work into establishing a graduate recruitment scheme
- 2.16 Notwithstanding that Aberdeenshire Council has been supportive of trading standards and food safety services and see them as important priority services, members are asked to note the content of the report and particularly the dangers highlighted in the report in providing insufficient resources for these services.
- 2.17 Members are further recommended through COSLA to work to improve the national coordination of trading standards and to encourage the appropriate resourcing of these vital services to ensure they remain viable and able to protect their consumers and communities.
- 2.18 The Head of Finance and the Monitoring Officer within Corporate Services have been consulted during preparation of this report and their comments incorporated accordingly.

**3. Equalities, Staffing and Financial Implications**

- 3.1 An equality impact assessment is not required because the reason for the report is simply for the Council to note and consider and there will be no differential impact, as result of the report, on people with protected characteristics.
- 3.2 There are no financial or staffing implications.

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