

# NATIONAL STRATEGIC ASSESSMENT

NATIONAL TRADING STANDARDS

Protecting Consumers  
Safeguarding Businesses

October  
2023



## DOCUMENT HANDLING INSTRUCTIONS

This document has been produced by the NTS Intelligence Team. It is classified as **OFFICIAL** when completed, as defined by the Government Security Classifications Policy (July 2023).

# 1. Foreword

**A great privilege of my first full year in this role has been to witness the skill and determination of Trading Standards colleagues, who are motivated and committed to protecting consumers and honest businesses.**

The environment remains tough. Financial constraints continue to apply ongoing pressure on teams. Externally, the ongoing cost of living crisis feeds a steady supply of victims into the hands of criminals ready to exploit their financial worries. Despite these challenges, the Trading Standards' community continues to deliver incredible results.

In the year from April 2022 to March 2023, NTS teams and workstreams dealt with more than £250 million in consumer and business detriment. Prison sentences totalling 45 years were handed down. Total fines were £35,000 and more than 400 websites and social media sites were removed. These are just a few examples of our impact – and behind all these numbers are the victims we support, and the wider communities we protect.

A highlight from this year was the conclusion of a long-standing investigation that has been running for almost a decade. The complex investigation involved a powerful and high-profile individual in the North West, Andrew Pilley, who owns Fleetwood Town Football Club and a range of other businesses. At Preston Crown Court, Mr Pilley was sentenced to 13 years in prison and his associates – including his sister – to a combined total of 13 years and eight months. The court found Andrew Pilley and his associates guilty of fraud for mis-selling energy contracts.

The result was secured by the NTS Regional Investigation Team (North West) who are hosted by Cheshire West and Chester Council. Their work uncovered a telesales operation that targeted small businesses and charities, trapping them in unaffordable energy contracts, causing many to go under. I am proud of our officers for their dedication to delivering justice for those whose livelihoods were destroyed by these crimes.

This year has seen a huge increase in intelligence reports on underage sales of disposable vapes, and this will be a new priority for NTS in the coming year, following the provision of new funds by DHSC. Children are being targeted with these often colourful,

sweet-flavoured products and are being exposed to a range of potential health issues. While the funding is only for a limited period, we look forward to delivering a strong programme of enforcement and compliance in target areas and advising Government on this rapidly-changing area.

The financial squeeze on consumers continues to impact on all our work. The trade in counterfeit goods, flourishing as shoppers seek to spend less on items such as clothing, electrical products and tobacco, remains a key focus as we seek to halt the flow of money into organised crime groups. And as winter looms, we know doorstep criminals will renew their approaches to vulnerable householders, pressuring them to pay vast sums for shoddy 'energy saving' home improvements.

With the cost of living crisis making people more vulnerable than ever before, I believe it's never been more important to have a well-funded Trading Standards' service. NTS continues to deliver incredible value for money, with the taxpayer having saved £11 for every £1 we've spent since 2014. As for our wider impact on society, in identifying, supporting and protecting victims, and in preventing more people from coming to harm, that is much harder to measure, but perhaps even more valuable.

A more detailed account of our 2022/23 activity is available in our Annual Report, available at [www.nationaltradingstandards.uk/documents](http://www.nationaltradingstandards.uk/documents).



**Lord Michael Bichard**  
Chair of National  
Trading Standards

## 2. Introduction

The National Trading Standards (NTS) 2023 Strategic Assessment identifies the key national threats, emerging issues, and priority areas for NTS. It will help the NTS Board produce their national Control Strategy for 2024 – 2025. It is an integral part of the NTS business planning process.

It is used to hypothesise and make recommendations on how to develop policies and tackle national problems, it uses data drawn from 1 April 2022 to 31 March 2023. Any comparisons to the previous year's NTS 2022 Strategic Assessment reported figures are from 1 April 2021 to 31 March 2022. (referred to in this document as the 'previous year'). A wide range of information sources have been used by the NTS Intelligence Team to produce this assessment including:

- Trading Standards' intelligence recorded on the national Trading Standards' intelligence database (IDB) (see **Appendix 1**).
- Citizens Advice consumer service database incidents recorded (see **Appendix 1**).
- Regional Trading Standards Group's priority areas (see **Appendix 2**).
- Information from Regional Groups, NTS Teams and partner agencies.
- Open source and other information.

The NTS Annual Report and NTS infographic for 2022-23 detail the work of the NTS Teams and workstreams. They dealt with £252,451,145 in consumer and business detriment. Prison sentences totalling 45 years were handed down. 22 people were convicted of offences. Total fines were £35,000. There were 4,328 feed interventions. 408 websites/social media sites were taken down or suspended. 26 warning orders, prohibition orders and penalty notices were issued by the NTS Estate and Letting Agents Team. Illicit tobacco with a revenue value of £7,627,526 was also seized.

This Strategic Assessment is a forward-looking document. Horizon scanning and emerging issues are covered in a separate section. This includes a PESTLE (Political, Economic, Sociological, Technological, Legal and Environmental) analysis that identifies some of the key external factors and emerging issues. These are mentioned in the NTS key threats and priority areas that also include some key successes.

Dealt with

**£252,451,145**

in consumer and  
business detriment



## 3. Key Findings

### During the period of 1 April 2022 and 31 March 2023 research found that:

- 39,433 intelligence logs were recorded on IDB by Trading Standards Services in England and Wales, Regional Groups and NTS Teams, this is slight increase of 84 (+0.2%) from the previous year.
- Tobacco and cigarettes (10,678), Doorstep Crime and Cold Calling (5,936) and Fair Trading (5,422) have the highest number of intelligence logs recorded on IDB.
- Age restricted sales (5,013) has the biggest increase in intelligence recorded on IDB. The focus of these logs mainly relates to nicotine delivery devices (vapes).
- 573,021 Citizens Advice consumer service database incidents were recorded this year, which is a decrease of 10,277 records (-1.76%) from the previous year.
- The National Fraud Intelligence Bureau (NFIB) Fraud and Cyber Crime Dashboard reports 4,267 door to door sales and bogus callers (across the UK) with reported losses of £31.8 million. There were 18,391 other consumer non-investment frauds (across England and Wales) with reported losses of £154.7 million (as at 31/07/23).
- Cross cutting issues or enablers affecting all areas of Trading Standards' work have been identified as eCrime, serious and organised crime and the cost of living crisis.
- Trading Standards currently have 36 active Organised Crime Groups (OCGs) mapped on the Police National Database (as at 30/06/23).

Overall, the Trading Standards' intelligence figures remain stable, with virtually no change (+0.2% increase) from the previous year's figures. This is commendable in view of the competing priorities that Trading Standards face, with less resources and capacity to record intelligence for all the work they do. The Citizens Advice consumer service database incidents recorded this year show a slight decrease (-1.76%) from the previous year's figures.

Whilst there has been a drop in the number of intelligence reports and incidents in some areas, these remain a priority for NTS due to several factors. The impact on vulnerable individuals means that doorstep crime and cold calling remains a NTS priority area despite any decreases. The eCrime and mass marketing fraud/scams figures have reduced, but still show the huge scale of internet and digital

based scams that are expected to grow as the online marketplace continues to develop. Many scams and eCrime complaints are linked to fraud and instigated via digital platforms or devices. They are often reported elsewhere, such as to Action Fraud, financial institutions, other regulators, and ombudsmen. NTS Teams and Trading Standards Services do not have direct access to Action Fraud incidents. Complaints remain under-reported, especially where products are purchased online and where other mechanisms are often used to try and resolve problems, such as social media sites, online review forums etc.

Around two-thirds (65%) of adults in Great Britain are spending less on non-essentials because of the rising cost of living,<sup>1</sup> which could be a factor in reducing the number of problems or complaints in some areas. Given the close links to doorstep crime, energy related fraud will now be largely dealt with under this priority area, especially as other agencies are better placed to lead on some areas of energy fraud work.

NTS uses the Management of Risk in Law Enforcement process (MoRiLE) to assess its threats, risks, and harm. This helps identify what the NTS priority areas should be. The NTS MoRiLE assessment will be different from local Trading Standards or Regional Group's assessments, as each agency completes the process from their own organisation's perspective and cover the:

- IMPACT/HARM – What is the level of harm to victims, the wider community, and the environment?
- LIKELIHOOD – What is the scale of activity, predicted trend and forecast?
- CONFIDENCE – What do we know or not know? Is it a true reflection of the risk?
- ORGANISATIONAL POSITION – How well placed is our agency (NTS) to deal with the risks? Considering external (public interest, reputation & politics) and internal (economic cost, capacity and capability) factors. For NTS, in practice, this will mean whether or not the conditions of the relevant grant agreements permit us to use funds to tackle the issue.

**39,433**  
Trading Standards'  
intelligence logs



**+0.2% increase from  
the previous year**

1. Office for National Statistics 06/10/23 - according to those asked between 20 September and 1 October 2023 as part of their latest public opinions and social trends bulletin.

The NTS MoRiLE thematic assessments for the last 3 years show:

Tier	Thematic Areas	MoRiLE Risk Score 2021	MoRiLE Risk Score 2022	MoRiLE Risk Score 2023	ORI Score
NTS priority areas	Doorstep Crime and Cold Calling	68.25	81.25	59.37	3
	Lettings (England only)	58.5	63	54	3
	Mass Marketing Fraud/Scams	63	68.25	49.87	3
	Illicit and Underage Sales of Vapes (England only)	-	-	37.5	3
	Illicit Tobacco	26.12	44	26.25	2
	Used Cars	26.25	32.5	25	2
	Intellectual Property	30.25	35.75	24.75	2
	Other Fair Trading Issues	29.25	29.25	24.75	3
	Estate Agency Work	20.25	24.75	18	1
	Animal Feed	9.625	15.75	12.25	3

Tier	Thematic Areas	MoRiLE Risk Score 2021	MoRiLE Risk Score 2022	MoRiLE Risk Score 2023
Outside of NTS scope	Animal Disease Control	29.75	38.25	46.75
	Product Safety	33	27	24
	Age Restricted Sales (excluding vapes)	13.12	24	22
	Food Standards	30	25.5	18
	Metrology	4.87	6.25	7.5
	Animal Health and Welfare	6.5	8.75	5.62

**NOTE** – MoRiLE assessment - 1-30 **Green** (low risk), 30-60 **Amber** (medium risk), 60+ **Red** (high risk). The ORI (Organisational Risk Indicator) is used to describe how effectively an organisation is currently placed to effectively manage the risk. **Green** (low ORI 1 – 2), **Amber** (medium ORI 3 - 4), **Red** (high ORI 5).

## The NTS priority areas (for the national NTS Control Strategy April 2024 – March 2025) are:

- Doorstep crime and cold calling (including energy fraud).
- Lettings (England only).
- Mass marketing fraud/scams.
- Illicit and underage sale of vapes (England only).
- Illicit tobacco.
- Used cars.
- Intellectual property.
- Other fair trading issues.
- Estate agency.
- Animal feed work.

**NTS will also have the following cross cutting themes and enablers**, as they impact on each priority area:

- eCrime and the use of social media/online platforms.
- Serious and organised crime.
- The cost of living crisis.

NTS will undertake work on specific activities, where direct funding is provided for a programme of work to be delivered, such as the Animal Feed work that is funded by the Food Standards Agency.

## 4. Horizon scanning and emerging issues



### MILITARY THREATS

The Russian invasion of Ukraine continues and since the invasion began in February 2022, Russia has become more isolated with China becoming Russia's most important ally. Concerns remain about a similar conflict in Taiwan/China that would have an impact on supply chains, fuel supplies etc. More recent emerging conflicts in the Middle East, may also have impacts on supply chains and energy prices.



### THE UK ECONOMY

Continues to remain under pressure from a number of complex and inter linked issues including high inflation, the ongoing war in Ukraine, and a slowdown in living standards that policymakers are finding difficult to manage. The Bank Rate is now at its highest level since 2008, and there could be further interest rate rises to reduce inflation. Higher interest rates mean that bad debts are expected to increase, as consumers and businesses struggle to repay loans and higher mortgage rates. This could lead to uncertainty and financial difficulties for consumers and businesses. There are also likely to be increases in council tax and social care payments.



### COST OF LIVING CRISIS

Inflation is affecting food prices, goods, and services, leading to further financial concerns. The annual rate of food inflation was 18.3 per cent in May 2023. While the rate of increases has started to slow, prices continue to rise. Trading Standards will be affected as consumers/businesses look for discounts or bargains whilst criminals and rogue traders seek to take advantage of every opportunity.



### ENERGY COSTS

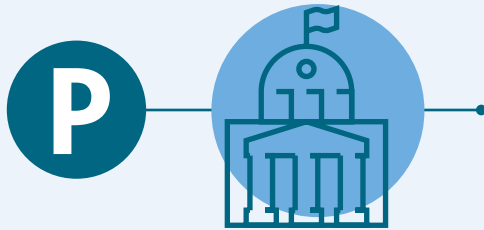
The rapid increase in prices in late 2021 led energy suppliers to withdraw cheaper fixed price tariffs and household energy bills increased by 54% in April 2022. The large majority of households (29 million) are now on Standard Variable Tariffs controlled by the Energy Price Guarantee, which was introduced by the Government in October 2022 to limit price increases to 27%. For most households this ended on 1 July 2023, as the Energy Price Cap (set by Ofgem) fell below it. From July to September 2023, the Ofgem price cap was set at £2,074 (for a typical household per year) and the EPG will remain in place as a safety net, until the end of March 2024, should energy prices increase above £3,000 per year. Consumers and businesses may continue to struggle to meet their energy costs and look at ways of reducing them. This may lead to more doorstep crime, energy frauds and mass marketing scams.





# PESTLE analysis

A PESTLE analysis is an acronym for a tool used to identify the macro (external) forces facing an organisation.



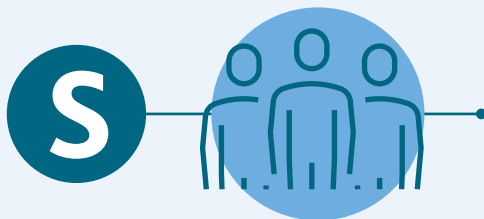
## POLITICAL

International conflicts.  
Cost of living crisis.  
Relationship with the European Union and world partners.  
General Election due no later than 28 January 2025.



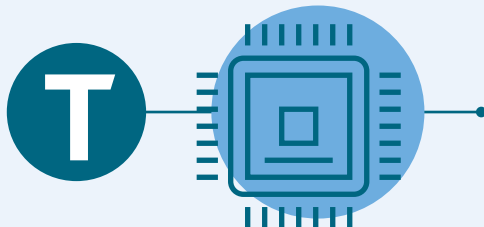
## ECONOMIC

High inflation.  
High interest rates.  
Widespread industrial action.  
Likely council tax and social care increases.  
Growth in serious and organised crime and fraud.  
Government Fraud Strategy.  
OCGs using unregulated crypto currency, property sales and lettings to launder money.



## SOCIAL

Increasing use of food banks.  
Difficulties in delivering social care/services.  
Demand for cheaper products increases sales of counterfeit/unsafe goods and illicit tobacco.  
Mortgage costs and rents rising.  
Increase in illicit vapes and underage sales of vapes.



## TECHNOLOGICAL

Artificial Intelligence and machine learning transforming the global economy.  
Social media scams, subscription traps and OCG frauds and digital scams.  
Rogue traders using approved trader schemes, websites, and fake reviews to appear legitimate.  
Global non-UK based criminals.

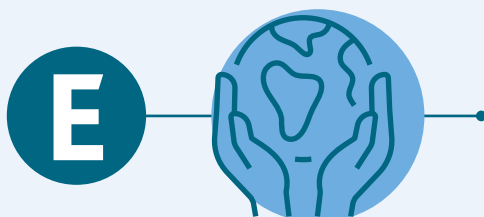


## LEGAL

Digital Markets, Competition and Consumers Bill changes.

- The Consumer Protection from Unfair Trading Regulations 2008 are repealed and reinstated with some minor amendments to help protect consumers.
- Subscription Contracts.
- Consumer Savings Schemes.

Economic Crime and Corporate Transparency Bill – to reform the powers of Companies House.



## ENVIRONMENTAL

Climate change.  
Demand for renewable and clean energy.  
Energy related frauds/scams continuing.  
Drive towards a net zero economy by 2050.  
New diesel and petrol vehicles to be phased out by 2035.

## 5. NTS Key Threats and Priority Areas for 2022/2023

### 5.1 Doorstep Crime and Cold Calling (including energy related fraud)

Doorstep crime is a key priority area for NTS. It can take many forms including pressure selling which is particularly prevalent in energy fraud, unfair contracts, overpriced and substandard home improvements work, fake surveys, and bogus charity collections. It is largely targeted at older and vulnerable adults however the Covid pandemic increased the susceptibility for all consumers.

There are 5,936 Trading Standards' doorstep crime intelligence reports for this year, this is a decrease of 943 records (-13.7%) from the previous year. Citizens Advice consumer service database figures show there are 38,392 incidents where the purchase method is recorded at the doorstep which is a decrease of 10,101 records (-20.8%) from the previous year. Despite any decreases, the impact of this crime on vulnerable individuals means it is still an NTS priority area.

The NFIB Fraud and Cyber Crime Dashboard reports 4,267 door to door sales and bogus callers (across the UK) for this year, with reported losses of £31.8 million. This is a decrease of 328 reports from the previous year when reported losses were £25 million.

NTS provided funding to support seven doorstep crime investigations and two regional doorstep crime projects in the South East and East

#### KEY SUCCESSES

Three doorstep crime cases, relating to aggressive mis-selling of fish in the North East, were completed. Three defendants were in total sentenced to 8 years 7 months in prison. These fraudsters targeted elderly and vulnerable consumers. The value of complaints was over £350,000. One major trial, linked to these cases, is due for trial next year.

Two other doorstep crime cases, in the North East and South East, relating to mis-selling of conservatories, building work and driveways, resulted in four defendants being sentenced to a total of 14 years in prison for fraud exceeding £600,000.

Midlands. Final reports have been completed on these regional projects and the outcomes have been shared with Trading Standards Services.

Given the close links to doorstep crime, energy related fraud will now be largely dealt with under this priority area. Citizens Advice consumer service database figures show there are 10,762 energy

related fraud incidents recorded, which is a decrease of 1,685 (-13.5%) records from the previous year. However, NTS is aware of significant increases in complaints to other agencies, such as the FCA, regarding loans relating to green energy products. NTS supported eight energy related cases in 2022/23 and will continue to support current energy investigations and court proceedings, that are mainly related to doorstep crime incidents, rather than looking at energy fraud as a standalone priority area. It is now acknowledged that there are other agencies who are better placed to lead on the key areas of energy fraud work.

The NTS Scams Team doorstep crime campaign was launched in April 2022. An electronic version of the leaflet, posters and a social media pack were sent to local authorities and supporting organisations. Research and intelligence work has been done to look at rogue trader's use of online approved trader schemes. This work will continue in 2023/24 with other partners to help protect consumers and businesses.

Several active OCGs involved in doorstep crime across the UK have been identified. These have been mapped by the NTS Intelligence Team. These groups are often involved in other criminality and are highly professional offenders. They have developed their modus operandi and skills and are very adept at hiding themselves and their assets using professional enablers and third parties to maintain their anonymity.

#### Doorstep crime key threats and emerging issues

- Internet/social media continues to be used by rogue traders to promote their services, along with telephone calls, emails, and leaflets that are used to engage with potential victims.
- Infiltration by rogue traders into approved trader schemes and use of professional website developers, often using fake reviews, so they appear genuine, reputable traders.
- Criminal business practices continue to include property improvements and maintenance work especially roofing and gardening services.
- The installation and maintenance of renewable energy systems and energy products.
- Use of OCGs with extensive logistical, communication, and money laundering networks.



**4,267**  
NFIB Fraud & Cyber  
Crime Dashboard  
reports (UK) with £31.8  
million reported losses



## 5.2 Lettings

Lettings is an NTS priority area for England. The NTS Estate and Letting Agency Team protects consumers and businesses by enforcing the Tenant Fees Act 2019 and Leasehold Reform (Ground Rents) Act 2022. Bristol City Council is the lead enforcement authority for letting agency work in England. Its role is to oversee the operation of letting agency legislation; issue guidance; provide information and advice; and advise the Government on developments in the sector. Some lettings frauds are being investigated by the NTS Regional Investigation Teams.

There are 174 Trading Standards' letting agent's intelligence reports for this year, this is a decrease of 112 records (-39.2%) from the previous year. Citizens Advice consumer service database figures show there are 5,422 lettings and property management services' incidents recorded which is an increase of 205 records (+3.9%) from the previous year.

This continues to be an under-reported area for both consumer complaints and intelligence. The Team has identified that most housing complaints are being sent to Shelter, local Citizens Advice Bureaus or directly to local authority housing teams, as well as to the redress schemes. A lot of work has been done by the Team to encourage local authority housing and environmental health services to record intelligence this year. The Team is working on improved data from the redress schemes to ensure referrals to local authorities are made when appropriate. A number of projects aimed at improving lettings enforcement are being undertaken by this Team and Regional Groups.

The Renter's Reform Bill is going through Parliament and associated regulations will be made. This will bring a ban on 'no DSS' adverts, abolish the section 21 no fault eviction process, create a searchable property portal, and bring in a decent homes' standard for all rented properties.

### Letting key threats and emerging issues

- The cost of living crisis has led to an increase in mortgage rates. Landlords may need to cover these increases by either raising their tenants' rents or selling their properties quickly.
- The use of Rent to Rent (also known as Guaranteed Rent) schemes. This is where a property owner contracts with another person for a guaranteed rental income. Often this is lower than market value rent but the guarantee of constant income with no downtime between tenants sounds attractive to property owners. Problems occur when the renting company fails to pay the rent, despite collecting it from the tenant.
- The lack of transparency in offering alternative deposit schemes.
- Landlords need to know if they are a business, so they understand their rights and obligations.
- The use of 'property sourcers' and how they sell their services to their clients.

# 5,422

Citizens Advice  
consumer service  
database incidents  
recorded



+3.9% increase from  
the previous year

To Let  
CITY ESTATES

## 5.3 Mass Marketing Fraud/Scams

NTS provides funding for the NTS Scams Team that is hosted by Buckinghamshire and Surrey Trading Standards. Mass marketing scams are a key priority area for NTS. The term generally refers to any fraudulent scheme that uses one or more mass communication methods – such as the internet, telephone, mail, or in person – to solicit or transact with prospective victims. They include foreign lotteries, romance scams, charity scams and boiler room scams. These offers can appear 'too good to be true', with payments for goods or services required in advance and requests for personal information. Many frauds perpetrated online, work on the basis that large numbers of victims lose relatively small sums of money so may be less likely to complain. However, some scams can have a devastating impact on those targeted, financially, emotionally, and physically. The Government published a Fraud Strategy (May 2023) that sets out a plan to reduce fraud by 10%, on the 2019 levels, by December 2024.

There are 1,744 Trading Standards' scam's intelligence reports for this year, this is a decrease of 815 records (-31.8%) from the previous year. However, the NFIB Fraud and Cyber Crime Dashboard reports 18,391 other consumer non-investment frauds (across England and Wales) for this year, with reported losses of £154.7 million. This is a decrease of 1,871 reports from the previous year when reported losses were £104.8 million.

Due to the way recording takes place on the Citizens Advice consumer service database it is not possible to compare figures between the NTS Strategic Assessment date parameters, as these complaints form part of the fair trading category, but it is believed to be vastly under reported. The continued problems in getting Action Fraud/NFIB reports compounds these problems.

Legitimate data brokers and financial intermediaries continue to enable fraudsters to carry out telephone and mail scams due to their lack of due diligence. Scam mail is now more targeted to repeat and chronic victims, rather than 'mass' targeting. There is an increase in high value "mail traps" designed to encourage recipients to contact fraudsters directly and as a result are more likely to be victims of fraud. There is an increase overall in phone enabled scams targeting elderly and vulnerable victims. The fraudsters use technology and social engineering as well as third parties to operate call centres in the UK and abroad.

The Scams Team have developed methods to disrupt telephone scams. These include working with the telecom industry to block scam calls and share intelligence to aid the Team's disruption strategy. This has proved effective in the take down of numerous scams. They continue to do education and joint work to help safeguard and identify victims. This includes working with the Home Office Joint Fraud Task Force and Multi Agency Approach to Fraud (MAAF) partnerships that are now established in most police force areas.

Friends Against Scams is a NTS Scams Team initiative that aims to protect and prevent people from becoming victims of scams by empowering them to take a stand against scams. There are now 2,557 Scam Marshals (as at 23/10/2023) who play a vital role in helping to stop scam mail.

### KEY SUCCESSES

The NTS Scams Team has directly engaged with victims to recover more than £463,740 this year, along with assisting banks and other agencies to freeze fraudsters' assets and the ability to obtain banking facilities.

Operation Derdap - the NTS Scams Team provided intelligence and worked with the Information Commissioners Office, as part of a wider crackdown on rogue companies using pressurised sales techniques to sell insurance for white goods. The ICO has issued £0.5 million fines against five companies making nuisance calls to elderly and vulnerable consumers. This makes a total of £1.45 million in fines against 16 companies (02/10/23).

NTS received £250,000 funding in January/February 2022 to distribute call blockers through the MAAF working groups. NTS secured a further £800,000 from the National Crime Agency, for the NTS Scams Team to purchase approximately 2,700 call blockers units from February 2023. Local authorities, MAAFs, police forces, Friends Against Scams Organisations and Scams Team Partners can apply for these devices and members of the public were able to directly apply for these call blockers from mid-August 2023.

### Mass marketing fraud/scams' key threats and emerging issues

- An increase in phone enabled scams targeting elderly and vulnerable victims.
- Non-UK call centres data harvesting and selling victim lists to UK criminal enterprises to target UK consumers.
- Fraudsters are recruiting individuals to become directors of their companies to try to avoid prosecution. This includes banking and service provisions to operate the frauds.
- Scam mail is now targeting repeat and chronic victims rather than 'mass' targeting.
- Increased use of multiple and repeat mailings to consumers who previously responded.
- Increase in clairvoyant and religious mailings which are menacing in content as well as requiring personal details of recipient.
- Telephone based frauds around white goods cover and green energy on the increase.
- UK fraudsters are moving towards telephone-based fraud, offering a variety of services, in particular energy efficiency services, home and energy cover plans that are not regulated.
- UK fraudsters' use of phoenix companies and third parties to hide behind and disrupt enforcement action.

## 5.4 Illicit and Underage Sales of Vapes

Underage sales of tobacco, alcohol, knives, fireworks etc. continues to impact at a local and regional level but sits outside of scope for NTS. The illicit and underage sales of vapes is a new priority area for NTS as the Government announced in May 2023 that £3 million funds are to be deployed up to March 2025, via NTS, for enhanced work in target areas and coordination across England. It will help provide a full national intelligence picture to enable local and central government to identify priority areas for action and to inform Government policy for future legislative controls and/or funding. It will also help Heads of Service to have the appropriate information to discuss local action and funding with their local Directors of Public Health. Specific operational work will take place in relation to on-line sales to children, product testing and imports.

In the last two years there has been a vast increase in intelligence that mainly relates to underage sales of vapes. This is corroborated by Regional Groups who report disposable vape devices are becoming an emerging threat as marketing of these products are aimed towards young persons. There are 2,313 Trading Standards' age restricted sales nicotine delivery device intelligence reports for this year, this is an increase of 1,527 records (+194.3%) from the previous year.

Citizens Advice consumer service database figures show there are 3,797 underage sales incidents recorded which is an increase of 1,369 records (56.4%) from the previous year.

The LGA released a statement on 14 July 2023, calling for the Government to ban the sale and manufacture of disposable vapes by 2024. The Government has recently issued a call for evidence on this issue and other matters relating to youth vaping.

### Illicit and underage sales of vapes' key threats and emerging issues

- The appeal of vape products to children – both flavours and images.
- Concerns surrounding under 18s nicotine addiction.
- Non-compliant products – exceeding the maximum tank size/ nicotine content, deficient warnings and labelling issues.
- Unsafe products – heavy metal content with battery fire incidents.
- Appropriate disposal routes for the public and regulators are not in use raising litter and landfill issues.
- Illicit products are being imported.
- Lack of data and potential intelligence gaps on illicit sales and use by under 18s.
- Links to other criminality and OCG activity such as child sexual exploitation and modern-day slavery and human trafficking.

**2,313**  
Trading Standards'  
intelligence logs



**+194.3% increase from  
the previous year**

## 5.5 Illicit Tobacco

Illicit tobacco is a key priority area for NTS with funding provided by HMRC for local authorities and Regional Groups to carry out focused work, in relation to the supply of illicit tobacco products through Operation CeCe. This is part of a wider strategy that HMRC are undertaking to tackle this problem. Initially funding ran from January 2020 – March 2022 but three year's funding has now been confirmed from April 2022 (across England and Wales).

There are 10,678 Trading Standards' tobacco and cigarettes intelligence reports for this year, this is an increase of 1,092 records (+11.4%) This category has the highest recorded levels of Trading Standards intelligence. A secondary category breakdown shows there are 4,345 illicit tobacco intelligence reports for this year which is a decrease of 175 records (-3.9%) from the previous year. Citizens Advice consumer service database figures show there are 5,212 tobacco incidents recorded which is an increase of 1,642 records (+46%) from the previous year.

Criminal gangs smuggling illicit tobacco across borders are engaging in large-scale tax evasion and producing counterfeit cigarettes and tobacco. They exploit poor border controls, low arrest rates and tobacco tax disparity between neighbouring countries to expand their enterprises. Illicit trade stifles the operation of the legitimate industry.

### Illicit tobacco key threats and emerging issues

- The cost of living crisis creates a demand for illicit products as the legal product is deemed too expensive.
- Increasing intelligence about 'tab houses' (private individuals selling from their home) suggesting that more people are using illegal tobacco sales in response to the cost of living crisis in deprived areas.
- Some Trading Standards' Regional Groups are reporting they are unable to keep up with the increase in retailers selling illicit tobacco products, along with a lack of investigative skills and capacity particularly to cover internet operations and surveillance.
- Trading Standards are increasingly seeing links between stores selling illegal tobacco and serious and organised crime.
- Some builders are specialising in fitting shops out with hidden storage areas.
- There is an increased concern around modern slavery and exploitation of staff running the shops and selling the tobacco.
- Criminals are regularly changing tactics and developing new methods to avoid detection alongside a risk to officer safety including use of tracking devices by offenders.
- Online sales of illegal tobacco – there are capacity issues due to the volume of adverts and the number of enquiries required to identify larger scale sellers/operations.
- Links between sales of illegal tobacco and vapes.

### KEY SUCCESSES

Operation CeCe has now completed 2 full years of activity, aiming to tackle illicit tobacco trade at a local level. This local disruption activity designed to protect consumers and legitimate businesses is part of a broader strategy that tackles three 'tiers' of criminality, with illegal factories abroad being shut down by HMRC and Border Force intercepting smuggled products and cash at the border. All regions plus Wales have remained engaged in Operation CeCe with approximately 1300 premises having had illicit tobacco products seized from them in the past year (2022/23). Relationships with HMRC remain good, with new contacts forged with the teams working on sanctions and the refreshed "Leaf to Light" strategy.

#### Between April 2021- January 2023:

- Over 25 million sticks have been seized with an approximate revenue value of £11m\*.
- Almost 7000kg of HRT has been seized with an approximate revenue value of £2.7m\*.
- Total revenue value of seized products approximately: £13.7m\*.

\* Using duty calculator supplied by HMRC 2022-23.

**10,678**  
Trading Standards'  
intelligence logs



**+11.4% increase from  
the previous year**

## 5.6 Used Cars

The second hand or used car market continues to be a priority area for NTS, Regional Groups and local authorities. Used car prices have increased significantly in the last 12 months, as supply chain issues continue to impact the availability of new cars and replacement car parts. Demand for second hand electric vehicles also continues to grow, but the market is very small. There are issues surrounding battery health concerns, the Green Finance Institute cites this as the number one barrier for used electric vehicle buyers. It is anticipated that assurances on the health of second-hand EV batteries could dramatically increase electric vehicle sales take up.

There are 953 Trading Standards' used car intelligence reports for this year, this is an increase of 66 records (+7.4%) from the previous year. Citizens Advice consumer service database figures show there are 47,437 used car incidents recorded which is a decrease of 2,484 records (-5%) from the previous year. However, this is still the most complained about sector, in particular the sale of unroadworthy vehicles and the clocking of used cars.

NTS has supported four national/regional used car cases in 2022/23 and three disruption projects. Two projects aimed to tackle the most complained about used car traders in the East of England and East Midlands Regional Groups. In the Yorkshire and the Humber Regional Group they did work to tackle MOT stations that provided false/incorrect MOTs to vehicles being sold by unscrupulous car dealers. Such projects help to safeguard and protect used car buyers.

### KEY SUCCESSES

#### Operation Kent

Two people from Staffordshire were sentenced on 28 June 2023 at Stafford Crown Court for their part in a £350,000 car clocking scam following a four-year investigation. The pair were sentenced after previously pleading guilty to offences under the Consumer Protection from Unfair Trading Regulations 2008. Intelligence from HMRC and DVLA, along with evidence from export certificates, supplier invoices and MOTs, revealed the criminal duo began importing high performance sports cars from Japan in 2010. The pair sold the cars on various internet car sales sites. The mileages shown on the advertisements and documents for selling the cars were lower than the true mileage travelled by the vehicles. They did this to increase the value of the cars before selling them on at inflated prices to unsuspecting victims.

The NTS used car group (with Trading Standards' experts) is working on:

- Sales by 'traders' via online social media platforms.
- How to tackle 'appointment only/delivery only' operators.
- Work on used car refunds and returns.

### Used car key threats and emerging issues

- High prices and supply issues in the market are resulting in an increased supply of unroadworthy cars, particularly at the lower end of the market.
- High levels of purchases/sales of used cars online.
- Increased complaints about clocking, fraudulent MOTs, and documentation. Intelligence suggests that the demand for used cars, during the cost of living crisis, is being met by high mileage models sourced from auctions across the UK.
- Consumers are purchasing used cars from traders across the country. This can often mean they do not physically see cars before making a purchase. This leaves them vulnerable to buying cars that are in poor condition, are cloned or may not even exist.
- A number of vehicles have been given an MOT prior to sale but are then found to have serious structural damages. This calls into question the validity of some MOTs issued.

**47,437**  
Citizens Advice  
consumer service  
database incidents  
recorded



**-5% decrease from the  
previous year**

## 5.7 Intellectual Property

Intellectual property crime remains a priority area for NTS. It is often the work of sophisticated OCGs capable of operating across UK and as well as other multiple countries in Europe and beyond. There are 1,909 Trading Standards' intellectual property crime intelligence reports for this year, this is an increase of 36 records (+1.9%) from the previous year. Citizens Advice consumer service database figures show there are 2,698 alleged counterfeiting incidents recorded which is a decrease of 130 records (-4.6%) from the previous year.

It is acknowledged that consumer recorded incidents have reduced slightly, however it is suspected that many intellectual property crime incidents go unreported by consumers, who are looking for a cheaper alternative especially with the cost of living crisis. Online sellers of counterfeit products continue to take advantage of social media for such purposes, as well as physical markets across the UK.

Operation Vulcan is a multi-agency enforcement and disruption project targeting counterfeiting activity in the Strangeways area of Manchester. This well publicised operation has been a huge success. Greater Manchester Police has a dedicated Policing team working full time in the Strangeways area to tackle the ongoing issues. The team is working with Manchester City Council and other organisations to deliver a permanent solution for the local community and eradicate the entrenched criminality in this area. Funding has been provided by NTS to help Manchester City Council and Trading Standards North West support this work. A key feature is imports via courier companies, using false names and address discrepancies.

### KEY SUCCESSES

#### Operation Beorma

This is an investigation into alleged counterfeiting organisations operating out of Birmingham, importing, and supplying counterfeit goods to traders across multiple markets nationwide. A wide range and number of investigations are ongoing, but in May 2023 a Birmingham man was given a 27 month's custodial sentence at Birmingham Crown Court after being found guilty of trademark offences. This followed a raid on a supposed beauty salon by the NTS Central England Regional Investigation Team, Birmingham City Council Trading Standards, West Midlands Police and the Anti-Counterfeiting Group investigators. A vast range of high-value counterfeit goods were found and seized. They included; clothing, footwear, electrical items, perfumes and accessories. Brands being copied included Nike, Adidas, Moncler, Stone Island, Louis Vuitton and Hermes. The premises' owner, who entered into a tenancy agreement for the shop using a false address, was caught again operating from a different premises, where more clothing, footwear and accessories were seized.

Self storage units are increasingly being used to facilitate criminal activities, such as the storage and sale of counterfeit products, that Trading Standards regulate. Work continues on a self storage project that started in 2021 with funding from NTS and the Intellectual Property Office. The project has also had support from the Self Storage Association. London Trading Standards have led this national project across England and Wales. It aims to identify and improve standards in self storage premises through use of a tick box scheme and code of practice available at [www.tick-box.org.uk](http://www.tick-box.org.uk).

### Intellectual property crime key threats and emerging issues

- Consumer behaviour drives changes in demand, access/supply routes, and purchasing (e.g., the use of counterfeit sweet brands to promote vapes to children and teenagers).
- The use of cryptocurrencies and digital services is likely to grow and be used in purchasing and layering financial transactions.
- The impact of serious organised crime networks profiting from intellectual property crime and infringement, this covers both physical goods and digital content.
- Use of counterfeit items to tempt vulnerable individuals into engaging with criminal networks.
- Labour exploitation of vulnerable individuals by criminal networks involved in the re-manufacture, supply and distribution of counterfeit and infringing goods.

**1,909**  
Trading Standards'  
intelligence logs



**+1.9% increase from  
the previous year**



## 5.8 Other Fair Trading Issues

### Other Fair Trading Issues

This priority area includes all misdescriptions, such as those arising from advertising pricing, descriptions of goods and services, terms and conditions, mis-selling of energy products, holidays, and house improvements. NTS Regional and National teams have taken on several successful cases involving the Consumer Protection from Unfair Trading Practices Regulations 2008 and Business Protection from Unfair Trading Practices Regulations 2008, fraud and money laundering offences relating to rogue traders.

### Advertising

NTS provides the Advertising Standards Authority (ASA) with a legal backstop enforcement regime, for non-broadcast advertising, to ensure the continued success of their self-regulation model. Buckinghamshire and Surrey Trading Standards deliver this legal backstop on behalf of NTS. They dealt with three formal ASA referrals in this period and in addition, supported the ASA with a range of advice. Examples of referrals and advice work included participating in the ASA Pricing in Advertising Expert Group, giving an opinion in an ASA investigation on a Stem Cell Harvesting Bank, advice on the proposed advertising ban of low welfare related holidays, etc. Other NTS Teams provided support to the ASA as appropriate.

### Home/Business Improvement Work

NTS is currently working with other partners to look at rogue trader's use of online approved trader schemes. Issues include potential breaches of consumer protection law by both the traders advertising on the platforms and by the platforms themselves. There is also a concern that inconsistent vetting standards are allowing some rogue traders to use these platforms as a route to access consumers. This is compounded by a lack of action by some platforms in handling consumer complaints and removing these traders where necessary. Some approved trader schemes falsely give the impression that traders have undergone some form of vetting or checks and others have what appear to be false reviews or ratings. Further research, intelligence development and project work will be done in 2023/24 to look at these issues.

A number of Regional Groups are doing work on 'crime in the home' that can include home improvement and energy related fraud. Businesses can make false or misleading claims around the efficiency

and potential savings of products such as air source heat pumps, roofing spray foam etc. Installation costs can be very high and can result in consumers paying higher monthly bills if products are not installed correctly or not appropriate for the property. There is an increasing prevalence of businesses promoting new government backed grants (such as the Boiler Upgrade Scheme) aimed at meeting net zero targets, that can be used by unscrupulous businesses.

### KEY SUCCESSES

**Operation Best** - Andrew Pilley was found guilty of fraudulent trading, fraud by false representation and being involved in the acquisition, retention, use or control of the proceeds of fraudulently mis-sold energy contracts. He was sentenced to 13 years in prison following a hearing in Preston Crown Court on 4 July 2023. Michelle Davidson, was sentenced to six years in prison and disqualified from being a director for nine years, having been found guilty. Lee Andrew Qualter, was sentenced to seven years in prison and disqualified from being a director for nine years, after being found guilty. Joel Chapman, aged 37, was sentenced to eight months in prison after being found guilty.

The fraud worked through a telesales operation run by companies that appeared to be independent with Qualter as the sole director, but were actually controlled by Pilley and his sister Michelle Davidson, who were the directors of the BES energy supply companies. The sales companies targeted small businesses and charities – including guest houses, children's charities and companies providing support services for disabled people – as they moved into new premises or when their energy contracts were up for renewal. The successful prosecution follows an investigation by the NTS North West Regional Investigation Team, which is hosted by Cheshire West and Chester Council. The criminal investigation followed previous warnings and investigations from enforcement bodies, including Blackpool Trading Standards and Ofgem, before the current Trading Standards case began as a mis-selling investigation commenced by Lancashire Trading Standards in December 2013.



## 5.8 Other Fair Trading Issues (continued)

### Illegal Puppy Sales

There are 1,018 Trading Standards puppy farms/breeding intelligence reports for this year, this is a decrease of 455 records (-30.9%) from the previous year.

However, there are still issues surrounding the whole illegal dog breeding trade, particularly with breeds such as American Bullies and their cropped ears and tails. There are multiple OCGs mapped by Trading Standards Services across England and Wales, regarding the illegal importation and sale of puppies and a number of investigations are at the prosecution stage. NTS' work has to be focussed on consumer protection issues and not animal welfare issues.

### Travel

Citizens Advice consumer service database figures show there are 10,953 travel incidents recorded which is a decrease of 1106 records (-9.2%) from the previous year. Although there has been a decrease in reports to Citizens Advice there are significant numbers of incidents that have been dealt with by both the Civil Aviation Authority (CAA) and the Association of British Travel Agents (ABTA). The issues consumers have been facing in the last year around travel in the UK have been widely publicised in the national media specifically around air and rail travel.

Fuel prices and other inflation costs are also driving up travel sector costs. Air fares rose by 20.0% between April and May 2023, with some of the highest rises for European flights and rail prices rose by 6.9% in the year to May 2023, up from 5.1% in the year to April 2023<sup>2</sup>.

### Other fair trading key threats and emerging issues

- Continued illegal puppy sales with links to serious and organised crime.
- Use of approved trader schemes and professional website enablers to make offenders appear genuine (often using misleading and fake reviews).
- Increase in travel complaints associated with airline/flight problems (summer 2022).
- Consumers can be misled by the use of cryptocurrencies, due to their lack of knowledge and the risks in purchasing such currencies.
- Scam adverts online can lead unsuspecting consumers to sites that can defraud them.
- Ongoing selling and removal of roof spray insulation.
- Ongoing mis-selling of energy products and defrauding of government energy grants.
- Increase in pricing complaints particularly around independent mini supermarkets.

## 5.9 Estate Agents

The fair trading intelligence category covers buying a new home, letting agents and house improvements. The NTS Estate and Letting Agency Team protects consumers and businesses by enforcing the Estate Agents Act 1979. Estate agency regulation is led by Powys County Council which is the lead enforcement authority for estate agency work in the UK.

The Team works closely with local authorities who have local responsibilities for enforcing the Estate Agents Act. As the lead enforcement authority, its responsibilities include:

- Issuing prohibition and warning orders.
- Management and approval of the consumer redress schemes.
- Providing sector specific advice on the Estate Agents Act.
- Maintaining a public register of prohibition and warning orders.

Following investigations carried out by local authorities and other enforcement agencies, the Team may consider taking on a fitness investigation. Fitness investigations are also triggered by the commission of offences outside the Act. These include; forgery, theft, violence, money laundering and breaches of consumer protection legislation.

The Team receives complaints and referrals from a range of sources and undertakes monitoring of news websites, social media etc and a lot of work has been done to encourage local authority housing teams to record intelligence. There are 129 Trading Standards' estate agents' intelligence reports for this year, this is a decrease of 4 records (-3%) from the previous year. Citizens Advice consumer service database figures show there are 1,753 estate agents and house purchase service incidents recorded which is a decrease of 170 records (-8.8%) from the previous year. Work is ongoing to assist the service in identifying the correct goods and services categories and in making appropriate referrals.

## 5.10 Animal Feed

NTS receives funding from the Food Standards Agency to support a programme of work to ensure the integrity of the animal feed chain and protect food safety and UK meat exports. This is delivered via the nine regions in England who work with all local authorities to deliver the controls. Local authorities delivered 4,328 feed activities for the NTS Feed Delivery Programme which equates to 95% of the 2022/23 agreed activities.

### Estate agency key threats and emerging issues

- Tackling hidden referral fees relating to property transactions.
- Improving material information in property listings.
- Ensuring compliance with the Leasehold Reform (Ground Rent) Act 2022. This came into force on 30 June 2022.
- OCGs buying property for their criminal activities, such as money laundering, modern-day slavery and human trafficking.
- Quick buy property purchasing companies often mislead vulnerable clients by claiming that they will receive an agreed amount in cash within days for their property, but often placing the property on the open market and applying for bridging loans in the name of the victim and charging up to 70% in hidden fees.

It should be noted that the Estate Agent's function is a statutory requirement so has to be delivered via specific ring-fenced funding from DLUHC.

# 1,753

Citizens Advice  
consumer service  
database incidents  
recorded



**-8.8% decrease from  
the previous year**

# 4,328

Feed interventions  
and delivered 95%  
agreed activities



## 6. Cross Cutting Themes and Enablers

### 6.1 eCrime

eCrime remains a cross cutting theme for Trading Standards, Regional Groups and NTS. It impacts across all NTS priority areas and continues to grow as UK consumers buy more online through digital platforms. The digital world continues to develop at an increasing rate and criminals are adapting to this change in consumer's buying behaviour. The NTS eCrime Team is hosted by the Yorkshire & Humberside Trading Standards Group (YAHTSG) and is split between a state of the art digital evidence unit in Northallerton and a team of investigators in York.

There are 5,409 Trading Standards' eCrime intelligence reports for this year, this is a decrease of 313 records (-5.5%) from the previous year. Citizens Advice consumer service database figures show there are 109,210 incidents where the purchase method is recorded as trader website and apps, continuous purchases (e.g., subscriptions), and internet auctions which is a decrease of 14,140 records (-11.5%) from the previous year. Although the figures have reduced, they still show the huge scale of internet and digital based scams, that NTS and Trading Standards are dealing with. These are expected to grow as the consumer landscape evolves.

Online selling platforms continue to be linked to a range of offending including fraud, subscription traps, counterfeiting, unsafe products, and the continued use of an increasing range of social media platforms to advertise goods for sale and offer streaming services. Trader matching approved trader schemes is a current key priority area for the NTS eCrime Team.

Subscription traps remain a long-standing issue for consumers. There is an increasing use of supposed online shopping discounts linked to subscription traps. On a website's 'check-out' page, consumers are presented with what appears to be a one-off offer of a discount on their shopping. In signing up, consumers are unwittingly committing to a monthly subscription for supposed future discounts. As with the loan-based subscriptions, consumers are not aware of this until the first payment is taken from their bank account. Intelligence suggests the source of consumer data for both the loan subscriptions and discount subscriptions is the same. There is a concern that traders are exploiting the cost of living crisis as consumers may use loans to meet everyday expenditure and look for discounts when shopping online.

#### KEY SUCCESSES

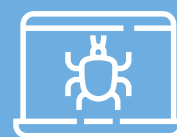
The NTS eCrime Team secured 408 website and social media takedowns and interventions. The consumer and business detriment avoided in 2022/23 through the NTS eCrime Team's enforcement and disruption interventions was £15,147,637. The Team had 12 active investigations. These relate to secondary ticketing, 'copycat' web sites, technical support helplines and frauds linked to social media advertising. They had one very successful Proceeds of Crime Act outcome that related to one of the secondary ticketing cases, with over £6.3 million being confiscated.

Online intermediaries provide platforms to facilitate the exchange of goods, services, or information. They are increasingly used by consumers and play an important role in the 'supply chain'. Significant improvements have been made to identify and remove content from non-compliant intermediaries, but more work needs to be done in this area to help protect consumers and businesses.

#### eCrime key threats and emerging issues

- Some approved trader scheme ratings appear to be false, and used purely as a means to deceive consumers into believing that traders are legitimate. Many of the linked trader web sites are exploiting an increasing trend in consumers relying on this type of platform to identify suitable traders.
- Subscription traps moving from payday lending and poor credit type products to a legitimate lending website. In all instances any loan is refused but the consumer finds they have signed up to a credit monitoring service with a monthly fee.
- Establishing how consumers are initially misled remains a significant intelligence gap.
- Continued use of a wide range of social media platforms to advertise goods for sale or offer illegal streaming services etc.
- Social media sites that directly sell counterfeit or unsafe goods, or indirectly display deceptive adverts/posts that lure consumers onto websites where they are subsequently misled/defrauded.
- Dealing with overseas offenders is a challenge but the NTS eCrime Team continues to make significant progress in engaging with overseas hosting companies and domain registrars.

**5,409**  
Trading Standards'  
intelligence logs



**-5.5% decrease from  
the previous year**

## 6.2 Serious and Organised Crime

Serious and organised crime remains a cross cutting issue for NTS. It impacts on every area of Trading Standards' work affecting UK consumers and businesses. It is an ongoing threat to national security. It is instigated and committed by OCGs who identify weaknesses in organisation's security systems and processes, targeting the most vulnerable in our society.

The National Crime Agency has indicated that there are in excess of 70,000 individuals in the UK engaged in serious and organised crime. It undermines everyone's safety and security and is reported to cost the UK economy billions of pounds a year. It is complex and often involves multiple crime areas such as economic crime (including fraud and money laundering), cybercrime, modern day slavery and human trafficking, firearms, drugs, and other illicit commodity importations.

Criminals continue to identify and exploit new technologies. They try to recruit professional enablers and law enforcement officers into their groups. NTS Teams and Regional Groups work with law enforcement agencies and partners in the Government Agencies Intelligence Network. They also use the Serious and Organised Crime System Tasking platform to help them adopt a risk based approach and to seek additional capabilities and capacity when necessary.

Many UK OCGs have a criminal network that impacts on the UK and transcends its borders. With the increased emergence of UK based foreign national OCG's, this is becoming far more apparent and increasingly sophisticated. These networks include points of contact for production, commodity sourcing, transport, and the ability to move, convert and place criminal finances in safe locations abroad.

Since the implementation of OCG mapping in December 2014, the NTS Intelligence Team have input 80 OCGs into the national database, on behalf of NTS Teams, Regional Groups and Trading Standards Services. The following figures were all taken on 30 June 2023. There are currently 36 recorded active OCGs associated to 293 nominals and 221 companies. Their criminality covers all current NTS priority areas and impact on all Regional Groups in England and Wales:

- 20 are involved in offences associated to fraud (including fiscal fraud).
- 14 are involved in offences associated with doorstep crime/cold calling.

- 8 are involved in the importation/distribution and supply of illicit tobacco products.
- 3 are involved in offences associated with intellectual property.
- 3 are involved in unlicensed breeding of dogs.

In addition to offences more commonly dealt with by Trading Standards Services, Trading Standards' current active OCGs are also involved in the following criminality:

- 17 were previously involved in acts of violence, including murder, torture, and kidnap.
- 11 are involved in modern day slavery and human trafficking offences (including child sexual exploitation, forced labour, and facilitation of illegal immigration).
- 5 are involved in drug supply (including the production, importation, distribution and supply of cocaine hydrochloride, crack cocaine, heroin and cannabis).
- 6 are involved in sexual offences (including allegations of rape).
- 5 are involved in the importation, supply, and criminal use of firearms.

# 36

Trading Standards'  
OCGs associated to  
293 nominals and  
221 companies  
(as at 30/06/23)



## 6.3 Cost of Living Crisis

The cost of living crisis refers to the fall in 'real' disposable incomes (that is, adjusted for inflation and after taxes and benefits) that the UK has experienced since late 2021. The government has responded to the crisis with several packages of support throughout this and last year. In 2022/23 household income support totalled £59.8 billion and it is forecast to spend a further £21.5 billion for 2023/24. Despite extensive government support, household incomes are not keeping up with living costs and are not expected to return to 2021 levels in real terms until 2027.

A rapid increase in energy costs, caused by a rise in the wholesale price of gas, has been a key driver in the increases in the price level since February 2022. Housing and household services (which include electricity and gas) as well as food and non-alcoholic beverages, made the largest annual contribution to the Consumer Prices Index including owner occupiers' housing costs inflation in May. Energy costs have begun to fall with wholesale prices being their lowest since Spring last year. Cost pressures have been apparent since mid-2021, driven by a range of issues from depleted gas supplies in Europe to semi-conductor shortages in Asia. Impacts from the pandemic alongside disruptions to global supply chains also increased prices.

The main contribution to higher prices has been the Russian invasion of Ukraine. Many international companies have permanently ceased operations in Russia either to comply with economic sanctions or due to reputational risk. The war has led to a shortage of Ukrainian exports such as essential car parts which has pushed up prices of second-hand cars. Agricultural commodities, such as grain and sunflower oil, are the majority of Ukrainian exports, the disruption of which has contributed to increases in global food prices<sup>3</sup>.

The CMA launched a grocery unit pricing review to help shoppers get the best value for their money. In July 2023 the CMA published findings from its review that looked at how grocery retailers are displaying unit pricing information in-store and online. They sent an open letter to grocery retailers on the use of unit pricing and will publish a further update in Autumn 2023.

Consumers are also feeling the pressures from increased interest rates that have reached their highest levels for several years. This is affecting both mortgage rates and therefore payments, as well as rent payments for consumers due to landlords having to increase rent prices due to higher mortgage payments. Shelter England reported that almost 2.5 million renters are either behind or constantly struggling to pay their rent - an increase of 45% since April 2022<sup>4</sup>.

The price of petrol and diesel has continued to fall in the 12 months to May 2023, according to the latest annual inflation rate but is still causing consumers economic challenges due to the high price of fuel at the pump.



<sup>3</sup>. <https://www.instituteforgovernment.org.uk/article/explainer/russia-ukraine-war-how-could-it-affect-uk-economy>

<sup>4</sup>. [https://england.shelter.org.uk/support\\_us/campaigns/cost\\_of\\_living\\_crisis](https://england.shelter.org.uk/support_us/campaigns/cost_of_living_crisis)

## 7. Other Trading Standards' Areas (out of scope or low priorities)

NTS is unable to support national work on the following areas as they are outside the current grant funding provided by the Government. NTS will undertake work on specific activities, where appropriate, if direct funding is provided.

**Animal Disease Control** - Trading Standards Services are part of government's activities to prevent animal disease, from the reduction of bovine tuberculosis to the implementation of controls that prevent the spread of major animal disease outbreaks. There are 263 Trading Standards' animal disease control intelligence reports for this year, this is an increase of 74 records (+39.2%) from the previous year. ACTSO has notified and supported local authorities in the avian influenza outbreaks. There were 196 confirmed avian influenza cases and a further 203 suspect cases which were negated. In addition, there were seven suspect foot and mouth disease cases and one swine fever case which were negated.

**Product Safety** – This is a priority area for many Trading Standards Services and Regional Groups and it often crosses over other areas of work. There are 2080 Trading Standards' product safety intelligence reports for this year, this is an increase of 237 records (+12.9%) from the previous year. The cost of living crisis means that people are looking for lower value products increasing the risk of product safety incidents. Regional Trading Standards Groups are reporting incidents in relation to vapes, cosmetics, toys and electrical equipment.

**Age Restricted Sales of Products (other than vapes)** – This is a priority area that continues to impact at a local and regional level but sits outside the scope for NTS. The sale of underage products can have huge consequences for minors that link to their health and safety such as the effects of tobacco products and alcohol, or the safety aspects of selling them fireworks or bladed articles. In the last two years there has been a vast increase in intelligence which relates predominantly to underage sales of vapes (covered earlier). There are 5,013 Trading Standards' age restricted sales intelligence reports for this year, this is an increase of 2,183 records (+77.1%) from the previous year. Citizens Advice consumer service database figures show there are 3,797 underage sales incidents recorded, that is an increase of 1,369 records (+56.4%) from the previous year.

**Food** – Some regions have this as an area of concern, especially because of the cost of living crisis, including issues such as counterfeit food and alcohol, allergens and labelling, fish sales (doorstep) etc. There are 894 Trading Standards' food intelligence reports for this year, this is an increase of 162 records (+22.1%) from the previous year. Citizens Advice consumer service database figures show there are 9,921 food and drink consumer incidents recorded which is a decrease of 1,016 records (-9.3%) from the previous year.

**Metrology** – Trading Standards' officers can carry out checks on a wide range of instruments used to weigh and measure goods in the public domain to test for their accuracy and can test pre-packed goods to ensure compliance with weight or measure claims. Trading Standards Northern Ireland (TSNI) have done a lot of work on the following current issues affecting consumers:

- Home heating oil.
- Coal.
- Packaged Goods Regulation visits - packers, importers and retail.
- Weighbridges.
- Licensed premises.
- Non-Automatic Weighing Instruments (NAWIs).
- Liquid fuel (petrol and diesel) inspections.

There are 282 Trading Standards' metrology intelligence reports for this year, this is an increase of 83 records (+41.7%) from the previous year.

**Animal Health and Welfare** - Trading Standards provide essential support to the farming industry through the enforcement of legislation aimed at protecting animals from disease, preventing animals from suffering, and maintaining the integrity of the food chain.

There are 3,153 Trading Standards' animal health intelligence reports for this year, this is a decrease of 723 records (-18.7%) from the previous year. Farmers are struggling with the upkeep costs of animals due to soaring fuel, fertiliser and feed costs, which is affecting disease control. These concerns are also having an impact on the health and well-being of farmers.

## Appendix 1 –

### IDB and Citizens Advice Consumer Service Database Statistical Information

Intelligence figures show an increase of 84 logs against the previous 12-month Strategic Assessment period with a full breakdown shown in the table below:

Intelligence figures	1/4/21 – 31/3/22	1/4/22 – 31/3/23	Difference	% increase / decrease
Age Restricted Sales	2830	5013	+2183	+77.1%
Alcohol	440	193	-247	-56.1%
Animal Feed	79	78	-1	-1.3%
Animal Health	3876	3153	-723	-18.7%
Consumer Credit	27	43	+16	+59.3%
Doorstep Crime & Cold Calling	6879	5936	-943	-13.7%
Fair Trading	7023	5422	-1601	-22.8%
Food	732	894	+162	+22.1%
Intellectual Property	1873	1909	+36	+1.9%
Lifestyle	1403	2008	+605	+43.1%
Metrology	199	282	+83	+41.7%
Product Safety	1843	2080	+237	+12.9%
Scams	2559	1744	-815	-31.8%
Tobacco and Cigarettes	9586	10678	+1092	+11.4%
<b>TOTAL</b>	<b>39349</b>	<b>39433</b>	<b>+84</b>	<b>+0.2%</b>
eCrime element	5722	5409	-313	-5.5%

NTS utilise the Citizens Advice consumer service database to identify levels and types of issues being raised by consumers.

From 01/04/21 – 31/03/22 (the 2022 NTS Strategic Assessment period) 583,298 incidents were recorded. From 01/04/22 – 31/03/23 (the 2023 NTS Strategic Assessment period) 573,021 incidents were recorded. The Citizens Advice consumer service database shows that consumer incidents recorded decreased by 10,277 records (-1.76%) from the previous year.

A breakdown of the top five case classifications and comparisons against all cases shows the following:

CASE TYPE BREAKDOWN			
2022 NTS Strategic Assessment period		2023 NTS Strategic Assessment period	
Trader Complaint - Civil breach.	229300	Trader Complaint - Civil breach.	204236
Trader Complaint - Criminal breach.	172333	Trader Complaint - Criminal breach.	150094
Out Of Scope - Refer/signpost to another agency.	89799	Out Of Scope - Refer/signpost to another agency.	117605
Enquiry - Consumer law/rights.	20984	Out Of Scope - Wrong number.	20905
Out Of Scope - Wrong number.	17917	Feedback - Not Consumer Direct related.	19544

The method of purchase as recorded is shown below:

PURCHASE METHOD BREAKDOWN			
2022 NTS Strategic Assessment period		2023 NTS Strategic Assessment period	
Not Recorded	145691	Not Recorded	177565
(034) Trader websites and apps	123342	(034) Trader websites and apps	109208
(021) Trader Premises	116307	(021) Trader Premises	108840
(027) Doorstep	48485	(005) Telephone	42066
(005) Telephone	47571	(027) Doorstep	38394

The trading practice breakdown is shown as below:

TRADING PRACTICE BREAKDOWN			
2022 NTS Strategic Assessment period		2023 NTS Strategic Assessment period	
(01) Defective Goods	180605	Not Recorded	205068
Not Recorded	167831	(01) Defective Goods	146221
(02) Substandard Services	116377	(02) Substandard Services	115314
(07) Selling Practices	21128	(03) Credit	2989
(08) Misleading claims/Omissions	20194	(04) Prices and charges	14161



## Appendix 2 – Regional Trading Standards Groups' Priority Areas

<b>CEnTSA</b>	<ul style="list-style-type: none"> <li>• Rogue trader doorstep crime and scams</li> <li>• Product safety</li> <li>• Protecting the food chain (food, feed, and animal health)</li> <li>• Tobacco</li> <li>• Lettings project</li> </ul>	<b>TSNW</b>	<ul style="list-style-type: none"> <li>• Doorstep crime</li> <li>• Scams</li> <li>• Used cars</li> <li>• Illicit tobacco and cigarettes</li> <li>• Intellectual property crime</li> <li>• Vapes</li> <li>• Animal health and welfare</li> </ul>
<b>EETSA</b>	<ul style="list-style-type: none"> <li>• Major renovations (Operation Amber)</li> <li>• Doorstep crime – roofing</li> <li>• Illicit tobacco – supply chains</li> <li>• Green energy fraud</li> <li>• Used cars</li> <li>• Product safety</li> <li>• Puppy importation</li> <li>• Food allergens</li> <li>• Mass marketing scams</li> </ul>	<b>TSSE</b>	<ul style="list-style-type: none"> <li>• Protection of vulnerable consumers/scams</li> <li>• Fair trade</li> <li>• Doorstep crime</li> <li>• Tobacco control</li> <li>• Product safety</li> <li>• Food</li> </ul>
<b>LTS</b>	<ul style="list-style-type: none"> <li>• Doorstep crime and the impact of the newly launched regional booklet</li> <li>• Product safety</li> <li>• Fair trading</li> <li>• Lettings</li> <li>• Tobacco and alcohol</li> <li>• Intellectual property crime</li> <li>• Age related products</li> <li>• Vapes (age restricted sales and non-compliant products)</li> <li>• Online markets surveillance (eBay and Amazon addressing OWA/corrosives – vapes &amp; non-compliant goods being sold)</li> <li>• Illegal tobacco and shisha (Operation CeCe)</li> <li>• Client money protection</li> <li>• Virtual offices</li> <li>• Self-storage</li> </ul>	<b>TSSW</b>	<ul style="list-style-type: none"> <li>• Doorstep crime and rogue trading</li> <li>• Illicit tobacco and cigarettes</li> <li>• Animal health - illegal pet trade</li> <li>• Scams</li> </ul>
<b>NETSA</b>	<ul style="list-style-type: none"> <li>• Fair trading (including used cars)</li> <li>• Illicit tobacco (including vapes)</li> <li>• Doorstep and cold calling</li> <li>• Product safety</li> <li>• Scams (including energy and mass marketing)</li> </ul>	<b>TS Wales</b>	<ul style="list-style-type: none"> <li>• Illicit tobacco</li> <li>• Illegal dog breeding</li> <li>• Doorstep crime</li> <li>• Scams</li> <li>• Product safety</li> <li>• Intellectual property</li> </ul>
<b>TSEM</b>	<ul style="list-style-type: none"> <li>• Scams (distance fraud)</li> <li>• Product safety</li> <li>• Food (including food allergens)</li> <li>• Fraud in the home (including doorstep crime)</li> <li>• Illegal tobacco</li> <li>• Used car crime</li> </ul>	<b>YAHTSG</b>	<ul style="list-style-type: none"> <li>• Crime in the home</li> <li>• Used car crime</li> <li>• Energy related fraud</li> <li>• Product safety</li> <li>• Tobacco control</li> <li>• Food and feed</li> <li>• Metrology</li> <li>• Age restricted sales - vapes</li> <li>• Lettings</li> <li>• Scams</li> <li>• Serious and organised crime</li> <li>• eCrime</li> <li>• Cost of living crisis</li> </ul>