

<b>Committee(s)</b>	<b>Dated:</b>
Safer City Partnership Strategy Group – For Information	23 September 2019
<b>Subject:</b> Public Protection Service (Environmental Health, Licensing and Trading Standards) update	
<b>Report of:</b> Director of Consumer Protection and Market Operations	<b>For Information</b>
<b>Report author:</b> Gavin Stedman, Port Health & Public Protection Director	

### Summary

The Department of Markets & Consumer Protection contributes to the work of the Safer City Partnership (SCP) through its Public Protection Service which comprises Environmental Health, Licensing and Trading Standards. Work relating to the SCP is on-going in relation to the following priorities:

- **Acquisitive Crime**
  - Investment Fraud – the Trading Standards continues to collaborate with the City of London Police over Operation Broadway, now extended across London via Operation Offspring.
- **Anti-Social Behaviour**
  - Illegal street trading – Additional resources have been put into a campaign to eliminate ice cream vans and nut sellers from the Square Mile.
  - Noise complaints service – a 24/7 service is provided.
- **Night Time Economy Crime and Nuisance**
  - Late Night Levy – this has generated approximately £460K for the third full year of the operation of the levy.
  - Safety Thirst – a complete review has been undertaken and some changes have been made to the scheme which is currently underway for this year.
  - Licensing controls and enforcement – enforcement activities and use of the Late-Night Levy have kept the number of licence reviews and suspension notices at a relatively low level.

This report details enforcement activity and progress in the above areas.

The Service contributed to the One Safe City programme and will be involved in the Secure City Programme. It is also represented on other relevant Boards and Groups.

### Recommendation

Members are asked to:

- Note the report.

## **Main Report**

### **Background**

1. The Consumer Protection part of the Department of Markets and Consumer Protection comprises three services:
  - Animal Health
  - Port Health
  - Public Protection
2. The latter includes Environmental Health, Licensing and Trading Standards, all of which contribute to the work of the SCP, specifically the 2017- 20 SCP Strategic Plan priorities and objectives of:
  - Acquisitive Crime – We will work to protect our businesses, workers, residents and visitors from theft and fraud with an emphasis on cyber-crime.
  - Anti-Social Behaviour – Respond effectively to behaviour that makes the City a less pleasant place.
  - Night Time Economy Crime and Nuisance – To ensure the City remains a safe place to socialise.
3. Whilst there are routine proactive and reactive responses to community needs, there is also a range of projects underway, details of which are provided below.

### **Current Position**

#### **Economic Crime**

4. The City of London Trading Standards Service (COLTSS) primarily works in partnership with others in support of the SCP's Objective:

*We will work to protect our residents, workers, businesses and visitors from theft and fraud.*

5. COLTSS continues to support and actively participate in Operation Broadway, a joint project with the City of London Police, National Trading Standards 'Regional Investigation Team', the Financial Conduct Authority, the National Fraud Intelligence Bureau, the Insolvency Service and HM Revenue and Customs.

- a) Operation Broadway meetings take place every two weeks with partners coming together to share intelligence about possible fraudulent activity taking place within the City of London and surrounding Boroughs. Deployments then take place the following week to inspect premises and find out exactly what is going on. This leads to the gathering of intelligence and the opportunity is taken to investigate and disrupt the activities of businesses that may be involved in fraud. These visits are led by a Trading Standards Officer due to the excellent powers of entry afforded to officers under the legislation that the service enforces. The success of Operation Broadway has been recognised by inclusion in the Chartered Trading Standards Institute best practice guide that was launched at the national CTSI symposium in Nottingham.

<https://www.tradingstandards.uk/news-policy/the-value-of-trading->

## standards

- b) Trading Standards staff continue to speak to victims of investment fraud and many of the stories that we hear are heart breaking with life changing sums of money being lost. There is, we believe, confusion among investors about the role of the Financial Conduct Authority (FCA) and those engaged in investment fraud will often misrepresent that fact that part of their business is covered by the Financial Services Compensation Scheme if things go wrong. This has been highlighted in the national media by the recent case of London Capital and Finance which involves 12,000 investors potentially losing a total of around £236 million. Trading Standards recently spotted confusing information on the FCA website and after contacting the CEO (Andrew Bailey), suitable amendments have now been made.
- c) Deployments that are undertaken continue to show a pattern of fraudulent companies claiming that they are based in the Square Mile when they are actually squatting. Officers can request that websites showing this false information are taken down through our links with the City of London Police which is a good way of disrupting fraudulent activity. There has been an increasing amount of intelligence about wine investment frauds. One feature of this type of fraud is that any wine purchased by a consumer is normally stored at a regulated wine storage facility. It is felt that these facilities may inadvertently be enabling crime, so officers recently visited one of these businesses in Surrey. The visit was worthwhile, intelligence was shared, and the storage facility has now agreed to include an information sheet about wine fraud when they send out their annual storage invoices.
- d) A key partner for Operation Broadway is Companies House and a visit was made recently to their operational centre in Cardiff to build relations with them. One of the biggest problems with Companies House is the fact that they are simply an organisation that stores information it is provided with by those operating limited companies. Companies House has had no power to question the information it is given, and fraudulent traders simply lie about who they are and where they are based. The Government has now recognised that changes are needed to the current regime, and they issued a consultation document on the reforms that are needed. These include asking company Directors to provide evidence of their identity and their residential address. Trading Standards fully support these reforms and submitted a response to the consultation document.
- e) Trading Standards remain committed to trying to find ways to prevent consumers being victims of investment fraud. We believe that the weakest part in any fraud is the point at which money is passed from the victim to the fraudster. It is at this point that there need to be controls in place and we have been pushing ideas to encourage the banks to offer a slower payments service to customers who want it. This would allow some breathing space for customers to reflect on unusual transactions that they have been talked into and to stop them before it is too late. In addition, we have responded to consultations from the Payment Systems Regulator and the Financial Conduct Authority and there is now a real appetite to look at what steps the banking sector should be taking to protect account holders from fraud. A new voluntary Code of Practice was introduced by the Payment Systems Regulator at the end of May 2019 that requires

banks to compensate customers that have fallen victim to what is called 'authorised push payment' fraud. Officers are now advising investment fraud victims who have lost money since the end of May about this new route to compensation and we are awaiting feedback to see if the code is working.

- f) Trading Standards have been engaging more recently with the City Bridge Trust which is undertaking a project to examine best practice in tackling financial abuse. The final draft report has been issued and constructive feedback has been provided by Trading Standards to shape future work on preventing financial abuse that is being funded by CBT.
- g) In summary, the performance of the Operation Broadway partnership can be measured by reference to the table below: -

<b>2019/2020</b>	<b>2018/19 Total</b>	<b>Q1 Apr- Jun</b>	<b>Q2 Jul- Sep</b>	<b>Q3 Oct- Dec</b>	<b>Q4 Jan- Mar</b>	<b>Total</b>
<b>1. Op Broadway deployments</b>	<b>61</b>	<b>16</b>				<b>16</b>
<b>2. Disruptions/interventions</b>	<b>3</b>	<b>0</b>				<b>0</b>
<b>3. Adopted for further action by other agencies</b>	<b>20</b>	<b>4</b>				<b>4</b>
<b>4. Contacts with 'enablers'</b>	<b>25</b>	<b>2</b>				<b>2</b>
<b>5. RP07 forms submitted to Companies House by serviced office providers</b>	<b>19</b>	<b>4</b>				<b>4</b>
<b>6. Website suspension requests</b>	<b>8</b>	<b>7</b>				<b>7</b>
<b>7. Promotional / prevention activity - e.g. publicity campaigns, days of action, attendance at external events, press coverage</b>	<b>10</b>	<b>1</b>				<b>1</b>

Trading Standards have recently been investigating complaints from vulnerable job seekers who have responded to adverts offering employment. The reality is that the jobs do not exist, and job seekers have ended up paying hundreds of pounds for training courses that are a complete waste of time. This investigation is now complete, and it is anticipated that legal proceedings will be instituted after discussions with the City legal team.

In another interesting investigation, Trading Standards became aware of many complaints being generated across the UK in a very short space of time by an emergency plumbing company that is based in the City. The company were charging extortionate rates of around £250 per hour for carrying out simple repairs and had no control over the subcontractors that they were using. Officers moved quickly to engage robustly with the business and met with the main Director and his legal representatives. As a direct result of this intervention, refunds have been obtained and the business has suspended all UK operations while it goes back to the drawing board to devise a new business plan.

## **Anti-Social Behaviour (ASB)**

6. The Public Protection Teams support the SCP objectives to:

- ***Respond effectively to behaviour that makes the City a less pleasant place***

7. The two main issues being tackled by the Public Protection Service are:

- Illegal Street Trading
- Noise complaints service

## **Illegal Street Trading**

8. The Section 101 agreements with the London Borough of Southwark and the London Borough of Tower Hamlets are now in place; these allow the City to enforce against illegal trading just over the border into Southwark and Tower Hamlets, for example on the south side of Millennium Bridge and all of Tower Bridge.
9. All known hotspots are visited during the day and evenings seven days a week to disrupt any attempt at trading. Between 1<sup>st</sup> May 2019 and the middle of August 2019 two ice cream vans have been seized and three peanut trolleys. A further three warnings were given to the operators of ice cream vans. In addition, illegal gambling is disrupted on a weekly basis (mostly on Tower Bridge).
10. The operation has run throughout the year. Because of the foregoing and the continued on-street presence of Licensing Officers, illegal street trading has either been eliminated within the City of London and the bridges, or stopped immediately the traders set up.

## **Noise Complaints Service**

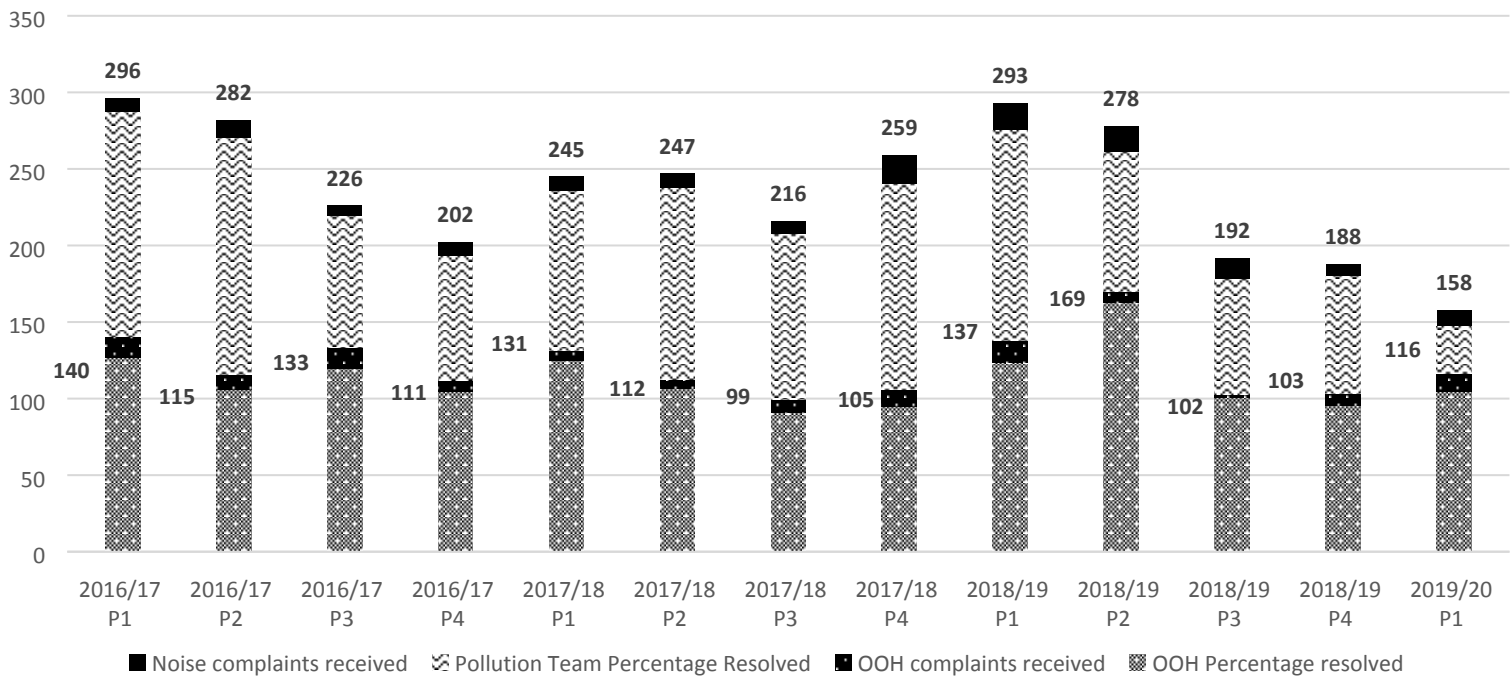
11. The Pollution Team dealt with 158 noise complaints between 1<sup>st</sup> April 2019 and 30<sup>th</sup> June 2019 of which 93% were resolved. In addition, they also assessed and commented on 261 Planning, Licensing and construction works applications and 307 applications for variations of work outside the normal working hours. Comparatively in the same period for 18/19 the Pollution Team dealt with 293 noise complaints of which 92.8% were resolved. In addition, they also assessed and commented on 391 Planning, Licensing and construction works applications and 284 applications for variations of work outside the normal working hours.
12. The Out of Hours Service dealt with 116 complaints between 1<sup>st</sup> April 2019 and 30<sup>th</sup> June 2019 and response (visit) times were within the target performance indicator of 60 minutes in 90.91% of cases, and often only 30 minutes. Comparatively, in the same period for 18/19 the Out of Hours Service dealt with 137 complaints and response (visit) times were within the target performance indicator of 60 minutes in 91.5% of cases, and often only 30 minutes.
13. The Pollution Team served 1x S.80, 2 x S.61 (Prior consent) Control of Pollution Act Notices and 3 x S.61 Consents between 1<sup>st</sup> April and 30<sup>th</sup> June 2019. In the same period for 2018/19 the Pollution Team issued 5 S.61 (Prior consent) Control of Pollution Act Notices and 8 S.61 Consents.

14. The trends for total noise related complaints are set out in the tables below for information.

### Noise Complaints

Year	Period	Pollution Team Noise complaints received	Percentage resolved	OOH Team Noise complaints received	Percentage resolved within KPI (60min)
2016/17	1	296	97%	140	90.3%
2016/17	2	282	95.7%	115	92.3%
2016/17	3	226	96.5%	133	90.1%
2016/17	4	202	96%	111	93.9%
2017/18	1	245	95.9%	131	94.9%
2017/18	2	247	96.4%	112	95.3%
2017/18	3	216	96.3%	99	90.9%
2017/18	4	259	93.8%	105	90.1%
2018/19	1	293	92.8%	137	91.5%
2018/19	2	278	93.9%	169	96.3%
2018/19	3	192	93.8%	102	98.2%
2018/19	4	188	96.3%	103	93.5%
2019/20	1	158	93%	116	90.91%

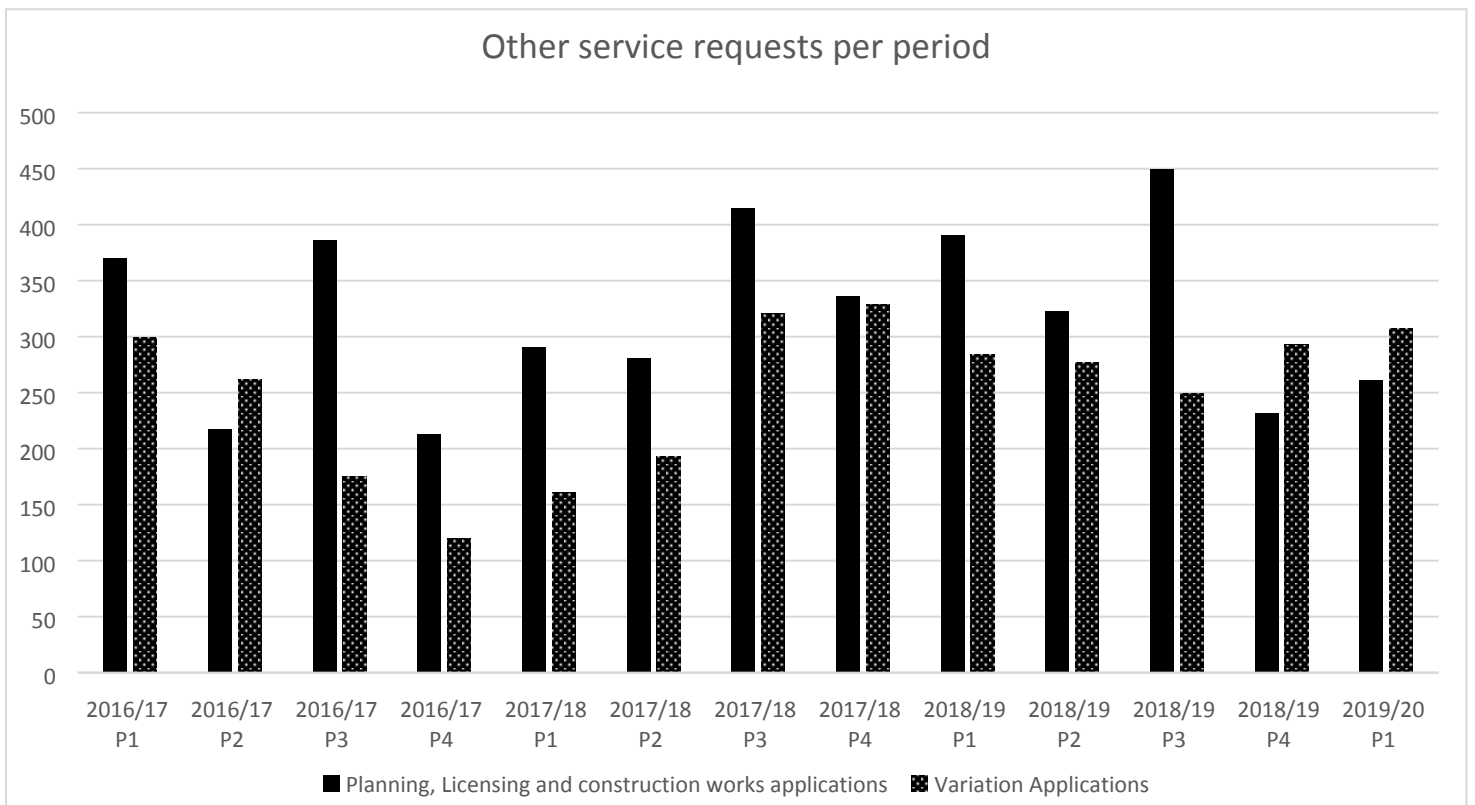
### Noise complaints received per period



### Noise Service Requests

Year	Period	Planning, Licensing and construction works applications	Variation Applications	S.60 Notices Issued	S.80 EPA Notices	S.61 Notices Issued	Consent
2016/17	1	370	299	5	0	6	N/A
2016/17	2	217	262	0	1	2	N/A
2016/17	3	386	175	3	0	9	N/A
2016/17	4	213	120	0	1	4	N/A
2017/18	1	291	161	2	0	0	1
2017/18	2	281	193	4	1	5	3
2017/18	3	415	321	0	1	12	1
2017/18	4	336	329	0	1	7	1
2018/19	1	391	284	0	0	5	8
2018/19	2	323	277	0	0	4	6
2018/19	3	450	249	1	1	6	7
2018/19	4	232	293	0	0	3	4
2019/20	1	261	307	0	1	2	3

### Other service requests per period

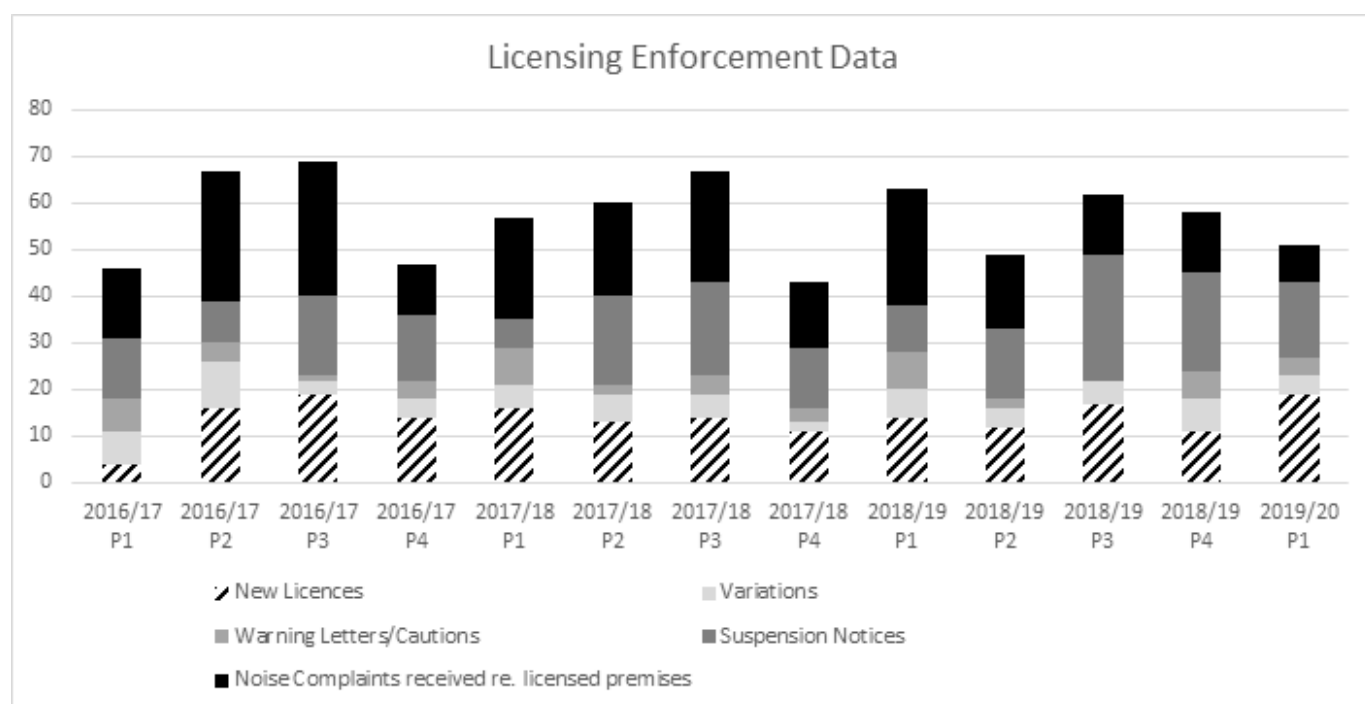


15. The revised Saturday morning construction hours 09:00-14:00 continue with high levels of compliance and anecdotal evidence of a positive reaction by residents. Contractors operating to the revised hours have not expressed any significant issues in adopting them. The Committee agreed to adjust the standard Saturday noisy working hours from 0800 to 1300 to 0900 to 1400.

## Enforcement

16. The Licensing Team undertakes inspections and enforcement in relation to the Licensing Act 2003 and the table below shows the action taken regarding licensed premises over the last three years.

Year	Period	New Licences Issued	Variations	Warning letters/Cautions	Suspension Notices	Noise complaints received re. licensed premises
<u>2016/17</u>	1	4	7	7	13	15
<u>2016/17</u>	2	16	10	4	9	28
<u>2016/17</u>	3	19	3	1	17	29
<u>2016/17</u>	4	14	4	4	14	11
<u>2017/18</u>	1	16	5	8	6	22
<u>2017/18</u>	2	13	6	2	19	20
<u>2017/18</u>	3	14	5	4	20	24
<u>2017/18</u>	4	11	2	3	13	14
<u>2018/19</u>	1	14	6	8	10	25
<u>2018/19</u>	2	12	4	2	15	16
<u>2018/19</u>	3	17	5	0	27	13
<u>2018/19</u>	4	11	7	6	21	13
<u>2019/20</u>	1	19	4	4	16	8





17. The number of hearings and reviews remains at a low-level year on year. During the period 1 April 2019 to 30 June 2019, there have been five hearings in relation to Rocket, Gremio de Fenchurch, Rez and two units in Bartholomew Close. There have been no requests to review a premises licence.
18. The 'RAG' risk assessment scheme operated by the Licensing Team with information from City Police, Licensing, Fire Brigade and Pollution Team has two premises flagged as red, seven on amber and the rest are all green in a total of 927 premises.
19. Noise matters related to licensed premises remain at low levels and are reported to the Licensing Committee. The number of noise complaints specifically associated with licensed premises is set out above with the Licensing Event Data to illustrate the trend over the last three years. The number is consistent with previous years and there is no indication of any overall increasing trend. In fact, the opposite is potentially true with complaint numbers being lower than in previous quarters.
20. This supports the generally good findings of the 'RAG' assessments in the City, although on occasion a number of complaints are received about individual premises which receive targeted enforcement to resolve the issue.

### **Safety Thirst**

21. The Safety Thirst scheme is highly regarded by licensees in the City of London and many are keen to participate and to improve on their level of accreditation. The scheme was reviewed prior to its 2019 launch in May to ensure that any new initiatives, especially around the night-time economy, crime reduction and vulnerability have been scoped in. A total of 73 applications have been received to date exceeding the 62 received last year. The 2019 awards ceremony is being planned alongside the offer of a licensing surgery for participants and a short seminar on a relevant issue.

### **Late Night Levy**

22. The amount of levy collected in 2018/19 was £463,000 and has provided a similar level of income to 2017/18 (£460,000), and 2016/17 (£454,000) suggesting there is still no disincentive against trading because of the levy. 70% of the levy, approximately £325,000 goes to the City of London Police for activities involving improving the impact of licensed activities on the night-time economy. The remaining 30% of the levy goes to the City Corporation. The 2019/20 levy income to date is broadly in line with previous years.
23. A report on the income and expenditure is provided annually to the Licensing Committee with the latest report considered at their February 6 meeting. This report obtained agreement to continue the levy for a further two years at which time the process would be reviewed.
24. Areas of significant expenditure on the City Police portion of the levy continue to be the night time policing of licensed activities and an additional intelligence post in the City Police Licensing Team. A potential future use is for the funding of the Police Licensing Inspector, which was agreed by the Licensing Committee at its October meeting. The levy provides ongoing support for the 'out of hours' noise service and additional cleansing activity. A levy supported project from Club

Soda, that extends their scheme to encourage consumption of less alcoholic drinks and alcohol-free alternatives, continues to promote lower and non-alcoholic drinks at licensed premises in the City.

### **Corporate & Strategic Implications**

- 25. The Public Protection Service contributed to the Safer City Partnership Strategic Plan 2017 - 20, and its priorities and objectives.
- 26. The Markets and Consumer Protection Department contributed to the One Safe City Programme, was represented on the Safer Communities Board and will be part of the arrangements for the Secure City Programme.
- 27. The Department is also represented on other relevant Boards and Groups, including the Serious and Organised Crime Board.

### **Conclusion**

- 28. The Public Protection Service continues to support the priorities and objectives of the Safer City Partnership through routine work, but also via specific projects and contributions to plans and strategies.

**Gavin Stedman, Port Health & Public Protection Director**

T: 020 7332 3438      E: [gavin.stedman@cityoflondon.gov.uk](mailto:gavin.stedman@cityoflondon.gov.uk)