

PERTH AND KINROSS COUNCIL

Community Safety Committee – 28 August 2013

Raising Consumer Awareness of Scams

Report by the Depute Director (Environment)

This report highlights the Scam Awareness work carried out by the Trading Standards team and sets out future priorities for work in this connection.

1. BACKGROUND / MAIN ISSUES

- 1.1 The Council's Trading Standards Service is responsible for the enforcement of a wide range of consumer related legislation, covering areas such as product safety, fair trading, metrology, and environmental controls.
- 1.2 The Service aims to bring about a fair trading environment in which reputable and responsible businesses can succeed.
- 1.3 Trading Standards officers employ a wide range of methods, skills and techniques to ensure compliance with legal requirements and when dealing with deliberate offences, serious frauds and scams, officers often need to carry out full and detailed investigations with a view to establishing the origins of the offence and the people responsible.
- 1.4 Almost half of the UK adult population is likely to have been targeted by a scam. Every year, it is estimated that 3.2 million people fall victim, losing more than £3.5 billion. This equates to about £70 a year for every adult living in the UK (Office of Fair Trading research).
- 1.5 Mass market scams such as fake lotteries, prize draws and fake clairvoyants are a major problem internationally, nationally and locally. They arrive in the mail, via the telephone and by email. Many consumers are being duped into parting with their money, which can sometimes be quite significant sums.
- 1.6 Everyone is vulnerable to these types of fraud, but elderly people are more particularly targeted. Many become victims following retirement and the gradual withdrawing from social relationships that comes with increasing age and ill health, with some becoming chronic victims, repeatedly sending money to those perpetrating the scams.
- 1.7 As many of these scams originate from countries outwith the UK, enforcement action against the perpetrators is extremely difficult. The historical approach in dealing with these types of issues was to highlight their existence by publishing warnings in local press releases. This reactive approach was dependent on consumers picking up on the messages themselves and taking appropriate action to protect themselves from being unwittingly duped by the perpetrators of the scams. Because of the numbers of complaints received by Trading Standards it became evident that this approach was not reaching the most vulnerable people. Therefore the Council's Trading Standards team

decided to adopt a more pro-active approach to raising awareness of these issues using the approaches of prevention, intervention and empowerment.

1.8 Prevention – in an effort to educate consumers on the potential effects of becoming a victim of the mass market scams which have been identified, work has focussed on the following areas:

- On 28th March Tayside Police in partnership with Perth and Kinross Council, Trading Standards, held a Scams Awareness Training Seminar at the AK Bell Library Theatre. The aim was to provide up to date information and advice to raise levels of awareness in relation to doorstep crime and various types of scams that are designed to target the most vulnerable members of our communities. Presentations included information from Trading Standards on scams and how to avoid them and Tayside Police on bogus callers. Also included were presentations by Scottish Crime and Drug Enforcement Agency (Ecrime), Lloyds Banking Group (bank security), British Telecom (phone scams) and Victim Support on the support available
- Providing talks and presentations to various community groups. Each of the sessions focussed on the types of scams being used, how they work in reality, how to avoid falling victim to them and how to help those that have been duped by the scam perpetrators. Examples and cases studies of true life cases which have happened in Perth and Kinross are particularly highlighted (See Appendix 1). During the year 12/13, 15 presentations were completed involving more than 360 consumers through a variety of groups such as Probus clubs, church groups, retirement and support clubs.
- Providing scams awareness training for carers, including an input into Perth and Kinross Council's Adult Protection Training programme for new employees (4 sessions per year).
- Using local media to highlight any particular issues e.g. via press releases or Twitter. During 2012/13 28 locally generated tweets have been created with numerous retweeted alerts from other agencies such as the Office of Fair Trading and other Trading Standards services. 7 press releases have also been issued giving shopping advice and highlighting large scale scams, such as the company purporting to be the Telephone Preference Service.
- Use of the Neighbourhood Watch Alert System. This alerts neighbourhood Watch Co-ordinators to potential problems that could happen in their area. For example an intruder alarm company specifically targeting elderly or vulnerable residents.

1.9 Intervention – The Trading Standards Service directly intervenes and provides support to those who have fallen victim of scams, making established routes to the most appropriate agency who can provide ongoing support, especially for chronic victims (social work, carers, victim support,

Citizens Advice Bureau). During the year 2012/13, 7 chronic victims were identified and received targeted support.

1.10 Empowerment – providing information, knowledge and resources to residents to protect themselves against scams. This includes:

- Making available 'No Cold Caller Stickers'. – these are stickers which householders can put on their doors or windows to deter bogus tradesman or other unwanted doorstep salesmen. So far 13,500 have been issued to Perth and Kinross Council residents by Trading Standards, Police Scotland and via the 'On the House' tenants magazine.
- Promoting the 'Better Business Partnership' (BBP). The BBP is the trusted trader scheme operating in Perth and Kinross. The aim is to help traders comply with the law while improving consumer protection through a partnership approach. It is often difficult for consumers to know whether they are dealing with reputable tradesmen or whether they are dealing with one of the small proportion of rogue traders. Concerns are also raised about bogus traders and unscrupulous callers who, after carrying out less than satisfactory work, disappear leaving a mobile phone number as the only contact. In an effort to address these particular problems the Trading Standards and Tayside Police Crime Management Unit Western Division introduced the Better Business Partnership. Services offered by businesses registered by the scheme are not recommended by Trading Standards as such, but traders who are committed to trading fairly and honestly may apply to join the registration scheme and sign a pledge that they will comply with certain terms and conditions - See link for more information - <http://www.pkc.gov.uk/bbp>
- Provision of simplified materials such as a basic information sheet to help carers etc. to identify potential scams and how to intervene and assist victims.
- Providing consumer leaflets, and other resources to consumers directly and via other agencies such as the Healthy Collaborative.

2. PROPOSALS

- 2.1 The prevention, intervention and empowerment work on scams will continue to be developed. The scam awareness work carried out by Trading Standards illustrates partnership working across a multi agency background involving Police, other Council partners such as Adult Care, and Victim Support (voluntary sector). (See case studies in Appendix 1).
- 2.2 Trading Standards will further develop prevention work with a focus on training the trainers. The level of training resource provided to Adult Care staff will be increased to ensure that existing staff, who may not have been caught by the Adult Protection Training programme for new employees, receive appropriate training in scam awareness.

- 2.3 Intelligence sharing will strengthen between Trading Standards and other enforcement agencies (other Trading Standards Services, the Police) via Memex, (the national intelligence sharing system) to receive early warning on developing scams and other consumer threats.
- 2.4 Local intelligence sharing mechanisms will be developed to disseminate gathered intelligence. For example, the use of the Neighbourhood Alert scheme. Although this is still under development (only 7 alerts issued to date) it is hoped that as the scheme becomes better known nationally via Neighbourhood Watch and other Trading Standards services coming onboard, its usefulness will increase. The scheme will also be highlighted during consumer presentations and seminars
- 2.5 The Perth and Kinross 'Better Business Partnership' will be enhanced. It is intended to review the scheme's profile to increase use and attract new business members. (it is a Corporate Plan target that these numbers be increased from the current 250 to 300 by 2017/18). It is likely that enhancement of the scheme's web presence and administration could lead to rise in membership fees to fund the improvements but early indications from business users and potential new entrants are encouraging in terms of increasing membership and refreshing the scheme to the benefit of members and users alike.
- 2.6 The "No Cold Calling "initiative will continue to be made available to a wider audience e.g. publication of an article in Perth and Kinross News and promotion through community groups.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The Committee is asked to:
- Endorse the activities of the Trading Standards Service in promoting scam awareness in protecting communities within Perth and Kinross.
 - Note the key areas for development in 2013/14.

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Date 24 July 2013		

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	None
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan / Single Outcome Agreement

1.1 This report contributes to the local outcomes of:

- Our Communities and people experiencing inequalities will have improved quality of life, life chances and health
- Our people will have improved health and wellbeing

Corporate Plan

1.2 The Council's Corporate Plan 2013 – 2018 lays out five outcome focussed strategic objectives which provide clear strategic direction, inform decisions at a corporate and service level and shape resources allocation. They are as follows:

- i. Giving every child the best start in life;
- ii. Developing educated, responsible and informed citizens;
- iii. Promoting a prosperous, inclusive and sustainable economy;
- iv. Supporting people to lead independent, healthy and active lives; and
- v. Creating a safe and sustainable place for future generations.

1.3 This report contributes to objectives iv and v.

2. Resource Implications

Financial

- 2.1 There are no financial implications arising directly from this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome: Assessed as **relevant** and the following positive outcomes expected following implementation
- 3.3 Improved support to vulnerable people in our communities. The Council will also work with the Minority Ethnic Access Development (MEAD) project to offer services in other languages, or tackling scams targeted at ethnic groups.

Strategic Environmental Assessment

- 3.4 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals.
- 3.5 In respect of this proposal no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt

Sustainability

- 3.6 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development.

Legal and Governance

- 3.7 The Head of Legal Services has been consulted in the preparation of this report.

Risk

- 3.8 There are no corporate risks associated with the proposals contained within this report.

4. Consultation

Internal

- 4.1 The Head of Legal Services and the Head of Democratic Services have been consulted on the content of this report and are in agreement with the proposals.

External

- 4.2 Not applicable.

5. Communication

- 5.1 A Communication Plan will be developed to promote the messages around scam prevention, and the positive measures people can take to protect themselves from this type of crime.

2. BACKGROUND PAPERS

The following document was relied upon:

3. APPENDICES

- Appendix 1 – Recent Case Studies

Recent Case Studies

Case study 1 – Trading Standards approached after a presentation.

After doing a presentation to a Ladies Probus Club, the officer was approached by a lady asking if she could have a word in private. She was 82, widowed and has worked as a matron before she retired. When the officer first spoke to her she was very coherent, articulate and clear about what her situation was – she was sending money to people/companies believing that she had won cash prizes in prize draws and buying goods from catalogues in the belief that doing so would increase her chances of winning a prize draw – a visit was arranged in her own home to discuss her situation.

During the visit the officer was able to confirm that the letters she was receiving were scams and convinced her not to send any more money to them. The officer visited her again a month later and was glad to see that all the reply envelopes were still with all the scam mail so she hadn't sent any more money. The mail was removed destroyed for her. She said she just wanted the mail to stop coming and it was explained to her that the only way this would happen would be for her not to reply to any more letters and in time the mail would dwindle and eventually stop.

The officer spoke to Social Work Services to see if it would be possible for someone to visit the victim on a regular basis and remove the scam mail. Social work arranged for a community support worker.

It was hoped that this would be the end of the matter but unfortunately the officer received a phone call from the support worker to say that the lady was sending money to the scammers again so once again the officer visited her along with the support worker and was very surprised to see the deterioration in her mental health

Because the support worker was visiting her regularly she saw the deterioration in the lady's mental health and has able to offer help and support and they are working towards getting a diagnosis for the lady. It is understood that she has not sent any more money away to the scammers

Case Study 2 – Referral from Police.

Social work services received a vulnerable persons report from the police about a gentleman who had gone to them because he believed he had been scammed. A support worker spoke to the victim (mid 60's, recently retired, lived on his own) and decided that he was probably not a 'vulnerable person' but he had probably been scammed and needed someone's help. Because of the training the support worker had received from Trading Standards they realised that the gentleman had been scammed and knew to contact the Trading Standards Service.

A meeting was arranged with this gentleman, the support worker and a Trading Standards Officer to discuss what had happened and see if there was any way he could be helped. He had been scammed out of at least £67,000 through a “boiler room” (fake investment) scam. Unfortunately there was nothing that could be done to get his money back but he was given detailed advice on how to deal with the situation. He still had some money and shares which the scammers had not managed to get their hands on yet and they were constantly phoning him. He felt he did not need any of the support that was offered by social services.

The Trading Standards Officer advised him to change his number or get an answering machine so that he could vet his calls and only answer the ones he wanted to. He didn’t want to change his number because he would have to tell his son and his son would ask questions as to why he had changed his number and he didn’t want to tell him that he’d been scammed.

The Trading Standards Officer spoke to him a few weeks later and he had got himself an answering machine and, using this, had managed to avoid talking to the scammers.

Case Study 3 – Support worker offered advice.

A social work support worker was visiting a client, an elderly lady, who told her that she had received a cold call earlier in the day from someone saying that they were selling doors and windows and she had made an appointment for them to visit that evening.

The support worker dialled 1471 on the client’s phone and obtained the number of the man who had called, it was a mobile number which made her slightly suspicious and was very concerned that an unknown man would be visiting her vulnerable client. The support worker was not sure what to do in the situation but remembered the presentation given by Trading Standards as part of her Adult Support Training and phoned Trading Standards for advice.

The telephone number which she had obtained for the salesman was checked by Trading Standards on Memex (TS national information sharing database) and in Google, it turned out that the number was affiliated to a man who worked for a legitimate company but were known to us to use high pressure sales tactics. The support worker was told this in confidence and she was able to put measures in place so that her client did not let the man into the house.

The client was also advised that if she really wanted her doors and windows replaced she should contact Trading Standards as they run a trusted trader scheme (the Better Business Partnership) and would be able to give her a list of local traders who are on the scheme.

Case Study 4 – Referral from Consumer Helpline

A gentleman contacted the national consumer help line (Citizens Advice Consumer Service), to say that he had fallen for scams (mostly lottery and investment scams) and was there anyone who could help him. He was referred to Trading Standards and an officer arrange to visit him. The gentleman was in his 70's, married with grown up children living nearby.

After intervention by his family, which was reinforced with the information from the officer he accepted that the letters he was receiving were scams and he was not going to send any more money. He wasn't in need of any help which social work services could give him but he was in financial difficulties as he had sent so much money to the scammers (incurring a £7000 credit card bill). The Trading Standards Officer directly liaised with a money adviser at the Citizens Advice Bureau and they were able to give him debt advice and help him sort his finances out.

