

# **LGA Response to Modernising consumer markets green paper**

July 2018



# **Submission**

## **1. About the Local Government Association**

- 1.1. The Local Government Association (LGA) is the national voice of local government. We work with councils to support, promote and improve local government. We are a politically-led, cross-party organisation, which works on behalf of councils to ensure local government has a strong, credible voice with national government.
- 1.2. We aim to influence and set the political agenda on issues that matter most to councils so they are able to deliver local solutions to national problems. The LGA covers every part of England and Wales, supporting local government as the most efficient and accountable part of the public sector.

## **2. Key messages**

- 2.1. The LGA understands that the professional bodies for trading standards, the Chartered Trading Standards Institute and Association of Chief Trading Standards Officers, will be submitting detailed responses on the technical issues considered in the consultation paper. This response is therefore focused solely on the key strategic challenge facing trading standards as a local government service.
- 2.2. The consultation paper acknowledges that the system of public enforcement on consumer issues is under considerable pressure, with two third of English authorities reporting that they do not have the expertise to cover fully the range of statutory duties required of trading standards teams.
- 2.3. It must be recognised that these capacity issues are the result of cuts to local government budgets, amounting to £16 billion less from core government funding between 2010 and 2020. Although the measures outlined in the consultation paper make some attempt to mitigate the impact of this, the key challenge of funding for local services is not addressed.
- 2.4. Government has previously recognised the challenges facing the service, but its review of trading standards (from 2015) and the subsequent Cutting Red Tape review of local government regulation remain unpublished.
- 2.5. Despite the ongoing pressures, Government continues to create new statutory duties which it expects trading standards to fulfil. In the last year alone, different Government departments have suggested that the service could or will support new enforcement responsibilities relating to the:
  - 2.5.1. ban on microbeads in cosmetics
  - 2.5.2. ban on tenant fees, and a range of other private rental sector regulations

2.5.3. online sale of knives, and

2.5.4. the sale of house coal, smokeless solid fuels and wood, in regard to the air quality strategy.

2.6. It is unsustainable for Government to continue to create new duties for trading standards services without properly resourcing them: that fundamental challenge has to be tackled.

### **3. National Trading Standards**

3.1. National Trading Standards (NTS) has proved to be an effective mechanism for addressing cross-border consumer protection issues.

3.2. It is therefore understandable that Government should wish to explore strengthening the role that NTS can play in this area. There is a good case for enabling NTS to take an expanded role, through giving NTS enforcement powers and increasing its central capacity. There is also a good case for other Government Departments to make use of NTS as an effective commissioning and delivery mechanism.

3.3. However, in doing so, we urge Government to take account of the factors that have helped to share the success of NTS to date, and ensure that these are preserved in an expanded or reshaped body.

3.4. In particular, one critical factor has been the close links between local trading standards services and NTS, with the NTS Board comprising senior trading standards officers and work delivered through local teams. This has ensured that there is strong ownership of the NTS work by local teams and enabled rapid decision making when required.

3.5. Despite the local capacity challenges that trading standards are facing, it is important that this sense of ownership is retained; that a restructured NTS avoids a top heavy structure, and that it continues to work through local trading standards rather than separately to it - a pitfall that has been seen in other local / central partnership approaches to regulation.

3.6. Failing to do this risks disrupting the existing success of NTS, and further weakening trading standards capacity at the local level, to the detriment of the broader consumer protection framework.

3.7. We therefore urge Government to work closely with the current NTS Board and ACTSO to develop a new status that builds on NTS's existing strengths.