



National Audit Office

**Department for Business, Innovation and Skills, the Office
of Fair Trading and Local Authority Trading Standards Services**

Protecting consumers – the system for enforcing consumer law

Detailed Methodology

JUNE 2011

Detailed Methodology

1 This appendix outlines the research methods used in the course of our examination.

Study scope

2 Our report examines the effectiveness of the arrangements to enforce consumer law in Great Britain. We examine the use of intelligence and information to identify the areas of greatest detriment to consumers, the protocols for ensuring problems are tackled by the most appropriate body, the extent to which delivery bodies are operating efficiently and the procedures in place to evaluate costs and outcomes and ensure accountability at the different levels of Government. The report does not examine the performance of individual bodies within the system for enforcing consumer law.

3 Our fieldwork took place between December 2010 and February 2011.

Methodology

4 The main methods used during the course of this study were:

- review of key policy documents, major reports and academic literature;
- analysis of Trading Standards Services data to examine cost and efficiency;
- survey of consumers in Great Britain to collect data on attitudes regarding consumer protection;
- survey of Trading Standards Services;
- visits to Trading Standards Services;
- structured interviews with Regional Enforcement Officers; and
- semi-structured interviews with key stakeholders, Department for Business, Innovation and Skills staff and Office of Fair Trading staff.

Review of key policy documents, major reports and academic literature

5 We reviewed a range of published and unpublished documents written by the Department for Business, Innovation and Skills, the Office of Fair Trading and other organisations to develop our understanding of how detriment is defined and measured and how enforcement activity is co-ordinated.

6 Key documents reviewed included:

- published reports by the Office of Fair Trading, including assessments of the impact of work on fair trading and the level of consumer detriment;
- published reports by the Department for Business Innovation and Skills and other organisations, such as Consumer Focus, the Local Better Regulation Office and Local Authority Co-ordinators of Regulatory Services;
- published reports on levels of consumer confidence in Europe; and
- unpublished documents written by policy teams within the Department and local authorities.

Analysis of Trading Standards Services data to examine cost and efficiency

7 We analysed the Chartered Institute of Public Finance and Accountability's (CIPFA) Trading Standards Statistics 2009 to evaluate the relative costs and efficiencies of Trading Standards Services.

Efficiency of Trading Standards Services

8 To examine the efficiency of Trading Standards Services, we calculated an average spend per activity from the dataset. As population was identified as a key driver of gross cost, we allowed for this in the calculation. The actual cost per activity achieved by each Trading Standards Service was then compared to our calculation of expected cost to give an indication of relative efficiency.

9 As the dataset was incomplete, it was only possible to complete this analysis for 160 of the 197 Trading Standards Services and we were unable to weight data on activity. This analysis is, therefore, indicative only.

Survey of consumers in Great Britain to collect data on attitudes regarding consumer protection

10 We commissioned a telephone omnibus survey from IPSOS Mori of 1,002 consumers which took place in early February 2011. We entered four questions into the survey:

- How confident do you feel that you will be treated fairly by traders when you go to the shop? (Prompted responses: Very confident, Fairly confident, Not very confident, Not at all confident).
- When shopping online, how confident do you feel that you will be treated fairly by traders? (Prompted responses: Very confident, Fairly confident, Not very confident, Not at all confident).

- If you experienced a serious problem with something you had bought and were unable to resolve it directly with the trader, where would you go for help? (Prompted responses: Citizen's Advice Bureau, Consumer Direct, local authority, the Police, Consumer Focus, Other, Don't Know).
- Overall, how satisfied or dissatisfied are you with what is done in your local area to protect you from unfair trading practices? (Prompted responses: Very satisfied, Fairly satisfied, Neither satisfied or dissatisfied, Fairly dissatisfied, Very dissatisfied).

11 The response rate of 'Other' for the third question, was 37 per cent but as responses were prompted, we do not have a breakdown indicating which other bodies consumers would go to for help in such a situation.

Online survey of Trading Standards Services

12 We created an electronic survey which was distributed to all Trading Standards Services in Great Britain through Local Government Regulation. The survey was completed by 65 Trading Standards Services in February 2011 although not all questions received 65 responses.

13 The survey was designed to draw out key themes relating to:

- the types of activity undertaken by each Trading Standards Service and the drivers of their workload;
- the level of interaction each Trading Standards Service has with other consumer law enforcement bodies;
- how intelligence is used; and
- the reporting procedures in place and key performance indicators.

14 As the sample was self-selecting, the responses are not evenly distributed with, for example, a relatively high response rate for Wales (17 per cent) and Scotland (22 per cent) in comparison to the North West of England or Yorkshire and Humber (1.5 per cent each). The results of the survey are therefore not geographically representative.

Visits to Trading Standards Services

15 We undertook field visits to 13 Trading Standards Services between December and February 2011. During these visits we undertook a mixture of sample testing of case management systems and structured and semi-structured interviews with local Trading Standards Officers. We also identified case examples which demonstrated the challenges inherent in dealing with wider consumer law enforcement issues and the value of an intelligence-led approach to enforcement.

16 We visited the following Trading Standards Services and regional groups:

- Cambridgeshire
- Dundee
- Hampshire
- Redbridge
- Leicester City
- Newcastle
- North Yorkshire
- Suffolk (East of England region)
- Torfaen
- West Yorkshire Joint Services
- Wolverhampton
- York City
- Bristol City Council (South West region)

Case management sample testing

17 We undertook case management sample testing at seven of the sites we visited to assess how well the systems for referring cases onto the appropriate enforcement body were operating. We completed a walkthrough of the case management system and then used a sample of referrals obtained from Consumer Direct to ensure cases had been received and satisfactorily resolved. We tested 82 referrals in total and found that all cases had passed successfully through the system and had been appropriately dealt with by the relevant Trading Standards Service.

Structured Interviews with Trading Standards Officers

18 The structured interviews were designed to draw out similar themes to those explored in the survey and focused on:

- the types of activities undertaken;
- cost and funding, if not available in the CIPFA returns;
- reporting procedures and key performance indicators;
- interactions with other consumer law enforcement bodies; and
- skill sets and capabilities of Trading Standards Services and other enforcement bodies.

Structured interviews with Regional Enforcement Officers

19 We held structured interviews with the heads of eight of the nine Scambusters regional enforcement teams in existence at the time of our fieldwork. Since these interviews, one of the Scambusters teams has ceased to exist. We also held structured interviews with five of the nine Regional Intelligence Officers and eight of the eleven Regional Co-ordinators. These interviews were designed to gain an understanding of the role of regional enforcement staff, their interactions with other enforcement bodies, in particular Trading Standards Services and the Office of Fair Trading, and the processes in place in each region to co-ordinate enforcement work.

Semi-structured interviews with key stakeholders, Department for Business, Innovation and Skills staff and Office of Fair Trading staff

20 We held semi-structured interviews with the Department, the Office of Fair Trading and key stakeholders to gain an in-depth understanding of policies and the management issues around the enforcement of consumer law. The key stakeholders we interviewed included the Association of Chief Trading Standards Officers, the Trading Standards Institute, Which?, the Local Government Association, the Local Better Regulation Office, Consumer Direct and Consumer Focus.