



**Notice of a public
Decision Session - Executive Member for Culture, Leisure &
Tourism**

To: Councillor Ayre (Executive Member)

Date: Monday, 24 September 2018

Time: 5.30 pm

Venue: The Thornton Room - Ground Floor, West Offices
(G039)

AGENDA

Notice to Members – Post Decision Calling In:

Members are reminded that, should they wish to call in any item* on this agenda, notice must be given to Democratic Services by **4:00 pm on Wednesday, 26 September 2018.**

*With the exception of matters that have been subject of a previous call in, require Full Council approval or are urgent which are not subject to the call-in provisions. Any called in items will be considered by the Customer and Corporate Services Scrutiny Management Committee.

Written representations in respect of items on this agenda should be submitted to Democratic Services by **5.00 pm on Thursday, 20 September 2018.**

1. Declarations of Interest

At this point in the meeting, the Executive Member is asked to declare:

- any personal interests not included on the Register of Interests;
- any prejudicial interests;
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

2. Minutes (Pages 1 - 2)

To approve and sign the minutes of the Decision Session held on 23 July 2018.

3. Public Participation

At this point in the meeting, members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Friday, 21 September 2018**. Members of the public can speak on agenda items or matters within the Executive Member's remit. To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

Filming, Recording or Webcasting Meetings

Please note that, subject to available resources, this meeting may be filmed and webcast, or recorded, including any registered public speakers who have given their permission. The broadcast can be viewed at <http://www.york.gov.uk/webcasts> or, if recorded, this will be uploaded onto the Council's website following the meeting.

Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (contact details are at the foot of this agenda) in advance of the meeting.

The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at https://www.york.gov.uk/downloads/file/11406/protocol_for_webcasting_filming_and_recording_of_council_meetings_20160809

4. National Trading Standards (Pages 3 - 8)

This report provides an overview of the activities of the National Trading Standards Regional Investigations and eCrime Team and seeks approval for a revision to the distribution of Proceeds of Crime Act monies received under the government's Asset Recovery Incentivisation Scheme.

5. Urgent Business

Any other business which the Executive Member considers urgent under the Local Government Act 1972.

Democracy Officer:

Fiona Young

Tel: (01904) 552030

Email: fiona.young@york.gov.uk

For more information about any of the following please contact the Democracy Officer responsible for servicing this meeting

- Registering to speak
- Written Representations
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

This information can be provided in your own language.

我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی مہیا کی جاسکتی ہیں۔ (Urdu)

 **(01904) 551550**

This page is intentionally left blank

City of York Council

Committee Minutes

Meeting	Decision Session - Executive Member for Culture, Leisure & Tourism
	In Consultation with the Executive Member for Economic Development & Community Engagement
Date	23 July 2018
Present	Councillors Ayre and Aspden

1. **Declarations of Interest**

The Executive Members were invited to declare, at this point in the meeting, any personal interests not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests, which they might have in the business on the agenda. No additional interests were declared.

2. **Minutes**

Resolved: That the minutes of the Decision Session held on 19 March 2018 be approved and signed by the Executive Member for Culture, Leisure & Tourism as a correct record.

3. **Public Participation**

It was reported that there had been no registrations to speak at the meeting under the Council's Public Participation Scheme.

4. **The Council's Service Level Agreement with Make it York**

The Executive Members considered a report which proposed a new Service Level Agreement (SLA) between the council and Make it York (MIY) for the period 2018-21.

The SLA was part of the new contract with MIY approved at Executive on 15 March 2018 (Minute 140 of that meeting refers). It had been brought to the Executive Members for approval after further work, as agreed by the Executive. The proposed SLA, annexed to the report, had been drawn up after extensive discussions with MIY and was considered to reflect appropriately the desired roles of the parties and the

requirement for a strong focus on partnership building and tactical interventions.

During their discussion, the Executive Members queried the reporting process referred to in Annex C and highlighted the need for transparency of information and for ensuring that the council's role in supporting MIY events was clear to the public. Officers outlined the differences between the quarterly narrative reports, the business reports to Shareholder Committee and the 6-monthly reports to Scrutiny and confirmed that:

- Although there would be some overlap between the reports, each type would have a specific focus
- The quarterly reports should be put in the public domain, perhaps via the Executive Decision Sessions.

Resolved: That the SLA, comprising the three documents set out in Annexes A, B and C to the report, be approved, subject to amendments to ensure that it:

- reflects the council's commitment to transparency and the Transparency Code of Local Government, requiring MIY to act in the spirit of the legislation and
- includes provision for MIY to take appropriate opportunities to acknowledge where activities are supported by the council.

Reason: To contribute to the stronger promotion of York's profile and cultural offer, articulating York's brand regionally, nationally and internationally and driving the delivery of relevant outcomes within the York Economic Strategy.

Cllr Ayre (Executive Member for Culture, Leisure & Tourism)

Cllr Aspden (Executive Member for Economic Development & Community Engagement)

[The meeting started at 4.35 pm and finished at 4.55 pm].



**Decision Session – Executive Member for
Culture, Leisure and Tourism****24 September 2018**

Report of the Corporate Director of Economy and Place

National Trading Standards**Summary**

1. To provide the Executive Member with an overview of the activities of the National Trading Standards Regional Investigations and eCrime Team hosted by City of York Council.
2. To seek the approval of the Executive Member for a revision to the distribution of Proceeds of Crime Act monies received under the government's Asset Recovery Incentivisation Scheme.

Recommendation

3. That the Executive Member approves the revision to the distribution of the Asset Recovery Incentivisation Scheme (ARIS) monies received from National Trading Standards Regional Investigations and eCrime Team (NTS) prosecutions in accordance with paragraph 13.

Background

4. City of York Council hosts two enforcement functions on behalf of the National Trading Standards Board (NTS). The two functions are grant funded on an annual basis by NTS and are regional investigations (RIT) and national eCrime investigations (eCrime).
5. Each region in England has a NTS regional investigations team and there is one team in Wales. There is only one NTS eCrime team operating in England and Wales which is provided by a partnership between City of York Council (CYC) and North Yorkshire County Council (NYCC). The responsibilities in the partnership are CYC undertakes eCrime criminal investigations / prosecution and NYCC provides a digital forensics laboratory, undertakes illegal website disruption, and provides training / support to local authority trading

standards services and coordination / promotion activities. The NYCC aspects of the eCrime partnership are also grant funded by NTS.

6. The cases investigated by CYC RIT and eCrime s are complex involving significant number of (often vulnerable) victims. Where prosecutions are taken the cases are invariably heard or tried in the Crown Court and often result in lengthy trials with multiple defendants. In 2017/18 the time spent in Court at trial exceeded 60 weeks and at one point trials were running simultaneously at Manchester, Leeds and Teesside Crown Courts. 22 individuals were convicted or had confiscation orders made under the Proceeds of Crime Act 2002. Prison sentences totalling over 60 years were imposed and Confiscation Orders of £3,562,840 made from which £287,866 compensation was awarded to 369 victims. In one eCrime case it was established that there were over 1 million victims many of who were York residents.
7. Investigations are tasked to RIT and eCrime differently. RIT cases are tasked from the Regional Tactical Tasking and Coordinating Group (RTTCG) which consists of representatives of from the Yorkshire and the Humber group of local authority trading standards services (YAHTSG). ECrime cases (and some other cases of national importance) are tasked by the NTS National Tasking Group (NTG) which is administered by the NTS Programme Office and consists of a small group of heads of service from local authorities. NTG tasked cases are usually supported by additional grant funding.

The Proceeds of Crime Act

8. RIT and eCrime have the capacity to carry out financial investigations under the Proceeds of Crime Act 2002 (POCA). These are either carried out by accredited financial investigators in the team or (in the case of the larger cases) in partnership with the NE Regional Asset Recovery Team based with West Yorkshire Police.
9. ARIS is a Home Office scheme whereby a proportion of any monies paid to the Courts under a Confiscation Order is paid back to the agency involved in bringing the case. At the time of writing the Home Office has determined these proportions to be: 50% returned to central government, 12.5% retained by the court, 18.75% retained by the investigator and 18.75% retained by the prosecutor. In RIT and eCrime cases CYC are both the investigator and prosecutor and therefore receive 37.5% of any monies received under a Confiscation Order. The Home Office Guidance on ARIS states incentive payments should be used to further drive up performance on asset recovery and, where

appropriate, to fund local crime fighting priorities for the benefit of the community. It should be noted that not all Confiscation Orders are paid in full and several defendants have been given custodial sentences for defaulting on their Confiscation Orders.

10. CYC RIT and eCrime receipts under ARIS have been as follows:

2013/14	£2,760.63
2014/15	£370,615.58
2015/16	£149,057.99
2016/17	£0
2017/18	£4184.97
2018/19	No notification as at 29/08/18 although receipts are anticipated

11. Under the terms of the council's grant agreements with NTS 50% of any POCA monies received by CYC through ARIS have to be returned to NTS. In accordance with a decision made by the Cabinet Member for Crime and Stronger Communities on 7th June 2013, 25% of any receipt is paid to YAHTSG to fund regional trading standards projects and 25% is retained by CYC for spending on local issues.

Proposal

12. The proposal is that the 25% of the ARIS monies received from eCrime prosecutions is no longer paid to YAHTSG but is to be available (via NTS) to NYCC to develop and enhance the digital forensics capacity to support the work of CYC eCrime investigators. Examples of these improvements will (subject to monies received) include:

- Enhanced forensic analyst capacity
- Increased capacity and resilience of NUIX system (the software used by CYC investigators to review the digital evidence in a case)
- Enhanced support to deal with increasing numbers of passcode locked and encrypted mobile phones
- Achieving and maintaining ISO17025 accreditation (a standard that all digital forensic labs are now being expected to achieve)

Consultation

13. The YAHTSG Executive has been consulted on the proposal. They accept that YAHTSG do not have any direct involvement in the tasking or supervision of eCrime cases and are in agreement that 25% of ARIS receipts from eCrime cases should be reinvested in the NTS eCrime function rather than to support regional trading standards projects.
14. NTS have been consulted on the proposal and have agreed to hold any monies, as part of the NTS accounts, for the purpose of NTS eCrime service improvement.

Options

15. OPTION A. To pay 25% of any future ARIS receipt from an eCrime case to NTS for those funds to be available to NYCC for development and support of the eCrime function.
16. OPTION B. To maintain the current position which is to pay 25% of all ARIS receipts from RIT and eCrime cases to YAHTSG to support regional trading standards projects.

Analysis

17. Option A. This will assist trading standards eCrime enforcement to keep pace with fast changing technological developments in an area increasingly exploited by criminals and rogue traders. Hardware/software/training and technological expertise to undertake complex and legally sound investigations are all expensive and reinvesting ARIS receipts in this function will strengthen the CYC / NYCC partnership and keep it at the forefront of this work. All York residents who conduct transactions over the internet will benefit (directly or indirectly) from this investment.
18. Option B. This will restrict development of the CYC and NYCC NTS eCrime partnership and may result in ARIS receipts being spend on regional trading standards projects which may not directly (or indirectly) benefit York residents.

Council Plan

19. This proposal contributes to the corporate council priorities in the Council Plan as follows:

- A prosperous city for all.
- A focus on frontline services

Implications

20. Financial – There are no financial implications.
21. Human Resources (HR) - There are no HR implications.
22. Equalities – There are no equalities implications.
23. Legal – There are no legal implications to the council arising from this report.
24. Crime and Disorder – This proposal will assist in protecting residents from fraudulent trading on the internet.
25. Information Technology (IT) – There are no IT implications.
26. Property – There are no property implications.
27. Other – There are no other implications.

Risk Management

28. The risks associated with the various options are described in the report.

Contact Details

Author:
Colin Rumford
Head of Regional
Investigations
Tel: (01904) 551502

Chief Officer Responsible for the report:
Neil Ferris
Corporate Director of Economy and Place

Report **Date** 4 September 2018
Approved

Specialist Implications Officer(s) List information for all

N/A

Wards Affected: List wards or tick box to indicate all **All**

For further information please contact the author of the report