
**Decision Session – Executive Member for
Culture, Leisure and Tourism****23 October 2017**

Report of the Corporate Director of Economy and Place

Cold Calling Controlled Zones**Summary**

1. Cold Calling Controlled Zones (zones) are an effective tool in reducing the number of traders cold calling at people's homes attempting to sell all manner of products from dish cloths to double glazing, roof repairs to resurfacing driveways. There are currently 216 zones, covering some 8000 houses in the City. These were all implemented by City of York Council's trading standards officers between 2007 and 2014 at the request of residents.
2. This paper sets out a plan to introduce and administer new zones in the city, as well as review existing zones on a more sustainable basis.

Recommendations

3. That the Executive Member approves a plan to create a 'pay as you go' product to enable interested communities (potentially through ward committees) to introduce, administer and review zones whilst officers continue to explore other funding options. The paper also recommends a change in the rules so that it is easier to introduce a zone where the overwhelming majority of residents are in support of their introduction.

Background

4. A survey conducted by Trading Standards Institute (2003) found that over 95% of people did not welcome people cold calling at their door. Whilst this survey is now approaching 15 years old, officers do not sense any change of feeling. As a general principle, it remains lawful to cold call, although the law has tightened in some respects such that it is now an offence for a salesperson to refuse to leave when asked to do so.

5. The zones not only reduce the number of cold callers. Surveys show that they are an effective tool in empowering consumers as they reduce the fear of doorstep crime i.e. people being pressured and/or misled into buying products in their homes. In a 2008 survey of residents in York's zones, 66% of people said they were less concerned about doorstep crime since the zone had been introduced.
6. In a zone, the residents collectively agree not to deal with traders who call uninvited at their door to sell products. There is a sign on a lamppost at each end of the zone (typically a street, or series of streets) and stickers for each householder to display in their door/window to inform cold calling salespeople that they are not welcome. They are effective as they give residents a particular reason to turn such traders away. Residents can report anyone cold calling in the zone to Trading Standards Officers who will write to the business and ask them not to do so in future – a record of which is maintained and can help support action against particular problem traders.
7. As mentioned above, there is an offence of failing to leave a property when asked under the Consumer Protection from Unfair Trading Regulations 2008, and there is counsel opinion suggesting that failing to leave a zone when asked (even by virtue of the sign) could amount to an offence - although there have been very few cases to test this in court. Furthermore, if a trader commits a trading standards offence, the fact that it occurs in a zone can add weight to the evidence of unfair trading and/or be an aggravating factor when it comes to sentencing. Clearly however, the whole purpose of the zones is to help prevent people being pressured or misled into buying products in the first place.
8. There is no statutory duty on the council to introduce zones, and as a result of service pressures, the decision was taken to stop introducing new zones in 2015 through the budget setting process. Officers did however commit to continuing to deal with complaints about any cold calling in existing zones i.e. writing to the trader and advising that the residents do not deal with cold callers in the area.
9. There continues to be a demand for new zones, and the existing zones need to be reviewed to ensure that they remain valid. The earliest zones are now 10 years old and it is likely that many of the residents in these zones today may not have been the same as those who signed up in the first place. The success of the zones relies on people being ready, willing and able to turn unwanted salespeople away and as cold calling is not in itself illegal it should only be introduced where it is proportionate to do so i.e. where the residents collectively agree to this.

10. In respect of 'resident agreement', zones are currently only brought in where more than 50% of people expressly agree (through a survey form) to its introduction and *no residents oppose* the zone. This is because the success of the zone depends upon residents turning cold callers away. However, the rule that *no residents oppose* the zone can be frustrating – particularly where an overwhelming majority of residents are in support of its introduction.

Consultation

11. A talkabout survey of residents in 2016 identified that 'taking action to prevent rogue trading' was considered the most important 'trading standards specific' concern for City of York Council. The 255 respondents gave an average score was 4.16 out of 5 in terms of its importance. The zones are a tool to help prevent rogue trading.

Options

12. (a) Seek funding of an officer for this role from available funding streams. A part time officer – costing in the region of £25k per annum - is required to deal with the zones. Funding for a full time officer would provide additional resource to help tackle other kinds of scams including by cold calling by telephone, email (phishing) and mail.
- (b) Create a 'pay as you go' product to enable interested communities (potentially through ward committees) to introduce, administer and review zones. The charge, to be determined, would be on a 'cost recovery basis'. An initial charge would cover dealing with the request, preparation and conducting a survey residents, collecting and review of results. It is estimated that this charge would be around **£450**. Assuming the zone goes ahead, there would be an additional charge for installing signage on lampposts and providing material about the zone (estimated to be around **£200**). There would be an annual maintenance charge covering advice to residents, letters to traders etc (typically 1.5 hours of officer time – estimated to be around **£90** per year). Similarly there would be nothing to prevent 'packages' being made available to deter other kinds of scam in due course. As can be seen, the zones are fairly resource intensive, assistance from volunteers in the zones (or elsewhere) would reduce the amount of time/cost enabling and the resulting saving would be passed on. The figures above are estimated on a zone of up to 50 households.
- (c) Give the community access to the materials needed to create their own zones through the CYC website.

(d) Retain the existing position with no new zones introduced (please note that the review of the existing zones outlined in paragraph 15 below will still take place).

13. In cases (a) – (c) there is an option to abolish the rule that *no residents oppose the zone*, and introduce a rule that ‘fewer than 5% of households within the proposed zone object’ to its creation. This figure is consistent with the Trading Standards survey data for people who do not welcome cold callers (described in paragraph 4 above). So for example, in a proposed zone of 50 houses, at least 25 would have to positively agree to the zone being introduced (evidenced through a survey) and there must be no more than two households objecting. For the avoidance of doubt, the percentage of objectors is taken against the whole zone (including those who did not respond), not just those responding.
14. It is of course possible for the Executive Member to recommend an alternative rule, or keep the existing rule.
15. Finally, a review of existing zones will take place – free of charge – providing assistance from volunteers within the zones is forthcoming. If no assistance is forthcoming, or there is found to be no support for the zone it will be discontinued.

Analysis

16. Option A is the most desirable, and although officers have informally discussed a number of potential funding streams with their administrators there appears to be no realistic opportunity of funding through this method – at least in the short term. This is however an avenue that can continue to be explored.
17. Option B enables new zones to be introduced on a ‘pay as you go’ basis and as the fee will be set on a ‘cost recovery’ basis there will be no additional cost to the council. It will enable the service to obtain additional resource to carry out the work (or backfill officers undertaking the task). This will provide a short term solution, and communities may even be able to approach their local ward committee for assistance (subject to available funds and ward priorities). This option is recommended, with the suggestion that officers continue to explore option A.

18. Option C would consist of guidelines for residents wanting to create a zone being made available on the council's website. Whilst this would be no cost to the council, a lack of officer involvement could mean that zones are introduced in an uncontrolled way where residents are not ready, willing and able to deal with unwanted cold callers. This could devalue the brand and the effectiveness of the zone not just in that location, but in other places too.
19. Option D will mean that residents no longer receive the benefits of being within a cold calling controlled zone.
20. The introduction of the new 'fewer than 5% of the households in the proposed zone object' rule will make it easier to introduce zones where the majority of residents are in favour.

Council Plan

21. The food service plan contributes to the corporate council priorities in the Council Plan as follows:
 - A prosperous city for all.
 - A focus on frontline services
 - A council that listens to residents

Implications

22. **Financial** - The proposals enable the introduction of zones at no additional cost to the council.
23. **Human Resources (HR)** - There are no HR implications.
24. **One Planet Council / Equalities** – A One Planet York 'Better Decision Making' assessment accompanies this report.
25. **Legal** – Cold Calling Controlled Zones are not legally binding. There are no legal implications to the council arising from this report.
26. **Crime and Disorder** – Cold Calling Controlled Zones help reduce the fear of crime.
27. **Information Technology (IT)** – There are no IT implications.
28. **Property** – There are no property implications.

29. **Other** – There are no other implications.

Risk Management

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

Contact Details

Author:
Matt Boxall
Head of Public Protection
Tel: (01904) 551528

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

Report
Approved ☐ **Date**

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

Annexes - none

List of Abbreviations Used in this Report

Zones – Cold Calling Controlled Zone