

## PRESS RELEASE

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For immediate release

### **Scottish Trading Standards find serious pricing issues in supermarkets and convenience stores that are costing consumers £millions across Scotland.**

An investigation by local authority Trading Standards services in Scotland has found a range of pricing issues in shops across Scotland, to the detriment of consumers and may be contributing to the cost of living crisis to the tune of many millions of pounds<sup>4</sup>.

Trading Standards Officers from 22 local councils across Scotland have been taking part in a retail pricing project aimed at identifying where goods in shops are wrongly priced or not priced at all, and protecting consumers from detriment at a time when finances are stretched, and prices are rising regularly due to inflation. The project looked at three things:

1. That goods on the shelves were priced as required,
2. That the price charged at the till was the same as the marked price,
3. That Unit Prices were marked where required (these allow consumers to compare products)

Officers carried out 118 visits to national supermarket chains, and 228 visits to small or medium sized stores, with a total of over 30,000 products checked in terms of price marking and over 7000 in terms of unit pricing. In addition, over 9000 products were tested 'at the till' in terms of misleading pricing.

The majority of retailers, large and small, understand the requirements of pricing law and were found to provide consumers with the correct price and unit price indications, and charged the indicated price at the check-out. However, issues were still identified, and Trading Standards colleagues are working with the retailers concerned to address them. In national chains over 4% of goods were not priced at all and 6.5% of products had incorrect unit pricing. In addition, 3.7% of products were wrongly charged at the checkout and 71% of these were to the detriment of the consumer.

For medium and smaller stores the situation was worse, over 14% were not priced properly, and 8.6% of unit pricing information was wrong or missing. Almost 10% of products were incorrectly charged at the checkout, with again 70% to the detriment of the consumer.

With food prices continuing to rise, it is important that consumers are charged the correct price, and that the price is correctly indicated so that consumers can easily compare prices across stores in a competitive marketplace. Trading Standards is ideally placed to not only protect consumers against detriment through overcharging but to also support local businesses through advice and intervention where necessary.

David MacKenzie, Chair of SCOTSS (Society of Chief Officers of Trading Standards in Scotland) explained:

*“Transparency in pricing is at the heart of fair trade in goods and is a core issue for Trading Standards teams across Scotland, making sure that consumers pay the correct price for their purchases and that businesses are diligent in presenting goods for sale accurately and legally. With the current cost of living crisis, it is even more important that the processes and systems that should be in place are working properly and that consumers pay the correct amount for their shopping. My advice to shoppers is always check prices carefully when in store and make sure you have been properly charged at the till.”*

*He continued:*

*“SCOTSS works very closely with colleagues in local council Trading Standards across Scotland, and this is*

*an excellent example of local authority officers working together to ensure the market is working properly and fairly. Officers are there not only to protect consumers but also to help and support businesses.”*

John Herriman, Chief Executive of the Chartered Trading Standards Institute (CTSI) said:

*“The vitally important work being carried out by Scottish Trading Standards in relation to pricing issues could not be more timely. With the current cost of living crisis having such a substantial impact on the decisions consumers make around spending, price transparency is crucial to ensure that consumers know that they’re spending their money wisely.”*

ENDS

Notes for Editors:

For press queries and further details on this project, email Ken Daly, SCOTSS Coordinator at [coordinator@scotss.org.uk](mailto:coordinator@scotss.org.uk) or call 07720538349

1. The Society of Chief Officers of Trading Standards in Scotland (SCOTSS) represents the 31 local authority Trading Standards services in Scotland. SCOTSS was established in 1996 and helps support and coordinate the activities of Scottish local authority trading standards teams. It is a Scottish Charitable Incorporated Organisation SC047951 and works closely with other governmental and regulatory organisations, such as the Competition and Markets Authority, the Office of Product Safety and Standards, Trading Standards Scotland, and the Scottish Government.
2. Trading Standards Officers in Scottish councils advise on and enforce laws that govern the way we buy, sell, rent and hire goods and services. Local authorities carry out inspections and monitor or investigate complaints, they work with businesses to help achieve compliance but ultimately, can instigate prosecutions or take civil actions against those who break the law.
3. Local Authority Trading Standards are responsible for enforcing laws that ensure accurate pricing for consumers, such as the Price Marking Order 2004 and The Consumer Protection from Unfair Trading Regulations 2008. The Price Marking Order 2004 requires that where goods are offered for retail sale, the selling and, where appropriate, the unit price, must be given in writing. They require the selling price to be inclusive of VAT, unambiguous, easily identifiable, and clearly legible.
4. The Scottish groceries market is estimated to be worth around £20 billion. Assuming that the average price of a grocery item is £2 and using our finding that one out of every 23 items was charged at a higher price, that is potentially 434m incorrectly priced items *per annum*. For every penny that the price was wrong, consumers across Scotland might be being overcharged £4.34 million each year due to pricing errors. If prices were wrong by 20p, that would amount to overcharging of over £85m *per annum*, on top of already rising retail prices.
5. In instances where issues were found, action was taken according to local Enforcement Polices around the four ‘Es’ of Engage, Explain, Encourage, with Enforcement only as a last resort. Outcomes included verbal warnings and advice, written or advisory letters, revisits, and referral to Primary Authorities.
6. The full report can be found at [www.scotss.org/press/pricing.pdf](http://www.scotss.org/press/pricing.pdf)