

# ASH Briefing: UK Tobacco Control Policy and Expenditure

Updated January 2012

Health policy is largely formulated and implemented by the devolved administrations of each of the member countries of the United Kingdom. However, as tobacco falls within the remit of a number of different government departments: e.g. Treasury, Business, HMRC as well as Health, tobacco control policy is partly determined at UK-wide level and partly by the devolved administrations. The four nations of England, Scotland, Wales and Northern Ireland have responsibility for their own smoking cessation and health education campaigns while UK-wide policy and law applies to taxation, smuggling, advertising, and consumer protection issues such as the provision of health warnings on tobacco packaging. Some of these measures are determined by European Union legislation. [Note: for a quick overview of the laws relating to tobacco see the [ASH law guide](#)] Procedures for enforcement may vary between the administrations to reflect the differing legal systems.

An independent review of tobacco control policies in 30 European countries published in 2007 revealed that the UK scored the highest of the major European nations in a range of tobacco control measures.<sup>1</sup> These included the price of tobacco products, resources devoted to tobacco control, and smoking cessation treatment. The UK retained its top ranking in a subsequent survey of 31 European countries conducted in 2010.<sup>2</sup>

## **Targets to reduce smoking**

In March 2011 the Coalition Government launched a new tobacco control plan for England.<sup>3</sup> This includes an ambition to reduce smoking prevalence among adults to 18.5% or less by 2015; to 12% or less among 15 year olds by 2015; and to 11% or less among pregnant women by the end of 2015. Other commitments included a proposal to hold a public consultation on the plain packaging of tobacco, a ban on the sale of cigarettes from vending machines, and confirmation that a ban on the display of tobacco products at point of sale would go ahead, albeit with a delay in implementation (see section on protecting children below).

## **Previous targets**

From 1998 to 2009 tobacco control policy in England was largely guided by the 1998 White Paper 'Smoking Kills' and the Public Health White Paper, 'Choosing Health' published in November 2004. (Devolved administrations have had their own health policy since around 2000.) In 2004, the Department of Health set targets to reduce smoking prevalence in the population. The targets for England were as follows: to reduce smoking rates to 21% or less by 2010, with a reduction in prevalence among routine and manual groups to 26% or less.<sup>4</sup> (The target for all adults in England was reached by 2007.) For Scotland, the Scottish Executive set a target to reduce smoking among all adults from an average of 26.5% in 2004 to 22% by 2010.

In 2004, a Treasury-commissioned review of the future of the National Health Service concluded that in order to achieve optimum health outcomes, smoking rates would need to be reduced to 17% of adults by 2011.<sup>5</sup>

In February 2010, as part of a new tobacco control strategy for the next decade, the Labour Government announced new targets for England to reduce smoking to 10% or less among adults and to 1% or less among 11-15 year olds.<sup>6</sup>

Current smoking prevalence in the UK <sup>7</sup>

Smoking prevalence – United Kingdom 2010 Persons aged 16 and over			
	Men	Women	All Adults
England	22	18	20
Wales	25	22	23
Scotland	26	23	24
N. Ireland	24	25	23

## **Policies applicable to the whole of the United Kingdom**

### **ADVERTISING**

Tobacco advertising is banned by law throughout the United Kingdom. The Tobacco Advertising and Promotion Act 2002 prohibits tobacco advertising on billboards, in print media, by direct mail and through sponsorship. Currently limited advertising at the point of sale - equivalent in size to one A5 sized ad - is still permitted but this will end when a new law banning the display of tobacco products comes into effect from April 2012. (See section below). A health warning equivalent to one third of the surface area of the advertisement must be included.

Law: <http://www.hmsso.gov.uk/acts/acts2002/20020036.htm>

### **PROTECTION OF CHILDREN**

Tobacco products can be sold from any retail outlet but retailers have a duty to ensure tobacco products are not sold to anyone under the age of 18. The minimum age for the purchase of tobacco was raised from 16 to 18 in England, Wales and Scotland on 1 October 2007 and was raised to 18 in Northern Ireland from 1 September 2008.

In all places where tobacco is sold a warning notice must be prominently displayed stating: "It is illegal to sell tobacco products to anyone under the age of 18".

Cigarettes cannot be sold in packs of fewer than 10 or singly.

There is no centrally held data of expenditure on enforcement costs relating to under age sales of tobacco products. Enforcement is undertaken at Local Authority level.

The Health Act 2009 (covering England, Wales & N. Ireland) includes clauses to further protect children by **banning the display of tobacco products at the point of sale and ending the sale of cigarettes from vending machines.**

The ban on the sale of tobacco products from **vending machines** in England entered into force on 1 October 2011 and will take effect in Wales from 1 February 2012 and in Northern Ireland from 1 March 2012. Prohibition of sales of tobacco from vending machines in Scotland forms part of the Tobacco and Medical Services (Scotland) Act 2010 which is currently subject to legal challenge by the tobacco industry resulting in a deferral of the vending machine and point of sales display bans.

Implementation of the **ban on the display of tobacco products at the point of sale**

in England has been delayed until April 2012 for large shops (such as supermarkets) while small shops will have until April 2015 to comply with the legislation.<sup>3</sup> Similar proposals were passed in Scotland as part of the Tobacco and Primary Medical Services (Scotland) Act 2010. The point of sale ban in Scotland has also been delayed due to the legal challenge. Currently the ban for small shops will be the same as that for England (ie April 2015) and a date for large shops has yet to be announced.

Law: Children and Young Persons (Protection from Tobacco Act) 1991  
[http://www.hms0.gov.uk/acts/acts1991/Ukpga\\_19910023\\_en\\_1.htm](http://www.hms0.gov.uk/acts/acts1991/Ukpga_19910023_en_1.htm)

Order amending the law on the age of sale:  
[The Children and Young Persons \(Sale of Tobacco etc.\) Order 2007](#)

The Protection from Tobacco (Sales from vending machines) (England) Regulations 2010  
<http://www.legislation.gov.uk/uksi/2010/864/contents/made>

The Tobacco Advertising and Promotion (Display) (England) Regulations 2010  
<http://www.legislation.gov.uk/uksi/2010/445/contents/made>

[Note different regulations apply to other jurisdictions of the UK]

## **PRODUCT REGULATION AND LABELLING**

Written health warnings are required on all tobacco packaging as determined by the European Union Council Directive 2001/37/EC, implemented in the UK by the Tobacco Products (Manufacture, Presentation and Sale) (Safety) Regulations 2002. The EU Directive permits Member States to add pictorial warnings on tobacco products but only EU approved images are allowed. To date, seven EU Member States – Belgium, France, Latvia, Malta, Romania, Spain and the UK – have passed legislation requiring pictorial warnings on tobacco products. In addition, 3 non EU countries – Norway, Switzerland and Turkey – have adopted EU style pictorial warnings on cigarette packs. In the UK, picture warnings on cigarette packs were introduced from October 2008. Pictorial warnings on other tobacco products have been required since October 2010.

The Tobacco Products Directive also places maximum levels on the amount of tar, nicotine and carbon monoxide permitted in cigarettes and requires tobacco companies to disclose tobacco ingredients to national governments.

Law: [EC Directive 2001/37/EC](#)  
UK Regulations: <http://www.hms0.gov.uk/si/si2002/20023041.htm>  
The picture warnings can be viewed at: <http://tinyurl.com/3pg95f>

The European Commission is currently considering a proposal to amend the tobacco products directive. This includes a proposal to make pictorial health warnings mandatory. For further details see:  
[http://ec.europa.eu/health/tobacco/consultations/tobacco\\_cons\\_01\\_en.htm](http://ec.europa.eu/health/tobacco/consultations/tobacco_cons_01_en.htm)

## **TAX AND SMUGGLING**

In the 1998 White Paper 'Smoking Kills' the government announced that it planned to increase tobacco tax by at least 5% a year in real terms. This policy was dropped in 2001 and since then annual increases have generally been at, or marginally

above, inflation rates.

In 2000, the Government launched a £200 million initiative to tackle tobacco smuggling. As a result, the illicit market share fell from a peak of 21% in 2000-1, to 15% by 2003-4. In the 2006 Budget, the Treasury announced plans to extend the campaign which included a target to reduce the size of the UK illicit tobacco market by 1,200 tonnes by 2007/08. (See Treasury website for further details: [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)) In the 2008 Budget, the Chancellor announced that the recently created Borders Agency would take responsibility for developing a new comprehensive strategy to tackle tobacco smuggling.

In answer to a series of Parliamentary Questions<sup>8 9</sup> on how the money allocated to the anti-smuggling strategy had been spent, HM Treasury provided the following information. Note that the following relates to expenditure by HMRC only. Since 2009, most of the personnel involved in smuggling detection have been deployed by the UK Border Agency which is part of the Home Office. A separate figure for the number of staff employed by the UK Border Agency is given below.

#### **Full-time equivalents of staff employed on tackling tobacco, 2005-2010 (HMRC)**

Year	Detection	Investigation	Intelligence	Total
2005/06	1407	319	279	2005
2006/07	1557	278	295	2130
2007/08	1574	287	264	2125
2008/09	1500	395	255	2150
2009/10	153	360	172	685

The figures given are HMRC's best estimate of the way resources were used in the years specified, bearing in mind that the work of staff employed on anti-fraud and smuggling activity often covers a number of different taxes and commodities.

In 2009-10 the UK Border Agency deployed an estimated 1,504 full time equivalent staff to the Government's tobacco strategy, assigned to detection and intelligence duties. (Combined with the HMRC figures this gives a total of 2189.) Further information on expenditure is not available. Investigation and the provision of legal advice in relation to tobacco smuggling remained the responsibility of HM Revenue and Customs.<sup>10</sup>

Expenditure incurred by HMRC on salaries for full time equivalent staff allocated to tobacco smuggling is shown in the table below. Figures for 2000 to 2006 are not available.

Year	Detection	Investigation	Intelligence	Total
2006/07	£61,351,790.69	£13,246,434.95	£12,246,665.35	£86,844,890
2007/08	£65,037,870.02	£14,243,597.55	£11,271,899.07	£90,553,366
2008/09	£64,257,196.50	£19,998,544.53	£12,244,642.47	£96,500,383.50
2009/10	£ 5,362,740	£20,840,605	£ 7,946,658	£34,150,003

HMRC is unable to disaggregate time spent on the provision of legal advice on tobacco from related matters on time spent on other advisory work.

HMRC's fleet of mobile x-ray scanners has made a vitally important contribution to the success of the tobacco smuggling strategy. HMRC has had 14 scanners in

operation since 2003. These scanners were purchased between 2000 and 2001 at a total cost of £29,663,005.

There are substantial maintenance costs for all the fourteen scanners currently in operation. The annual maintenance costs per unit are as follows:

Number	Monthly maintenance	Total annual cost
4	£24,519	£1,176,912
6	£14,788	£1,064,736
4	£6,768	£324,864

Five new scanners have recently been purchased at a cost of £842,000 per scanner with ongoing maintenance costs of £180,000 per scanner over a ten year contract.

HM Revenue and Customs spent almost £1.5m (excluding VAT) on targeted media campaigns to support their anti-tobacco smuggling strategy between 2003 and 2008.

2003/04	£672,449
2004/05	£83,368
2005/06	£556,382
2006/07	£91,993
2007/08	£55,000
2008/09	nil
2009/10	£170,000

In April 2011 HMRC and the UK Border Agency launched a new plan to tackle tobacco smuggling, building on the 2008 strategy.<sup>11</sup> Key elements of the plan include increasing criminal intelligence and investigation resources deployed on tobacco fraud by 20% to prosecute more of those involved in smuggling at all levels; introducing new technology, intelligence and detection capability; pursuing proceeds of crime and applying new powers of assessment and penalties; and reducing the minimum indicative levels for personal imports to 800 cigarettes and 1 kg hand-rolling tobacco, bringing the UK into line with all other EU Member States.

## OTHER POLICIES

**Non-promotion of tobacco products, or events overseas.** UK embassies and high commissions are required to take care to avoid involvement in events which advertise or promote tobacco products overseas. See: [http://www.ash.org.uk/files/documents/ASH\\_560.pdf](http://www.ash.org.uk/files/documents/ASH_560.pdf)

**Support for international tobacco control work.** The UK government has ratified the [Framework Convention on Tobacco Control](#) (FCTC) and is committed to implementing the policies contained within the treaty.

## **Policies implemented by differing laws or regulations within the UK**

### **SMOKING CESSATION**

Note: The summary below applies to England only although similar measures are in place in Scotland, Wales and Northern Ireland. For information on Scottish stop smoking services see: <http://www.tobaccoinScotland.com>, for Wales <http://wales.gov.uk/news/topic/health/2007/1880755/?lang=en> and Northern Ireland see: [www.healthpromotionagency.org.uk](http://www.healthpromotionagency.org.uk)

Smoking cessation is a key component of the coalition government's Tobacco Control Plan and builds on that established by the Labour government in the 'Smoking Kills' White Paper published in 1998. Specialist stop smoking services are available across the country. Nicotine Replacement Therapy (NRT), bupropion (Zyban) and varenicline (Champix) are available on prescription. Most forms of NRT are also on general sale.

The importance of helping smokers to quit is stressed in priorities guidance to the NHS and health professionals. Details are included on the NICE website ([www.nice.org.uk](http://www.nice.org.uk)) Targets have been set for smoking cessation treatment and also for prevalence reductions in each Primary Care Trust (the main unit of funding and primary care treatment in the NHS).

### **NHS STOP SMOKING SERVICES**

The NHS Stop Smoking Services (formerly smoking cessation services) were launched in the Health Action Zones (HAZ) - areas of high deprivation - in 1999/00. The services were rolled out to the rest of England and Wales in 2000/01. Further information on the operation of the Stop Smoking Services is available in the [Stop Smoking Service Delivery and Monitoring Guidance](#)

Expenditure on smoking cessation services has steadily increased since their creation in 2000, rising from £21.5 million to £84.3 million in 2010-11. The cost per quitter in 2001/11 was £220. The net ingredient cost of all pharmacotherapies to help people stop smoking was £65.1 million in 2010. This compares to £45m in 2006/07. The increase is due to the introduction of varenicline (Champix) in late 2006.

<b>Year</b>	<b>Allocation</b>	<b>Actual Expenditure</b>
<b>NHS services</b>	<b>£ (million)</b>	<b>£ (million)</b>
1999-00 (HAZ)	10	5.0
2000-01	20	21.5
2001-02	20	24.7
2002-03	20	24.7
2003-04	41	36.2
2004-05	46	46.8
2005-06	51	51.9
2006-07	56	51.2
2007-08	56	*61.0

2008-09		73.5
2009-10		83.9
2010-11		84.3

\*£56m supplied by Department of Health. Additional money from other funding streams negotiated locally.

### **Smoking and Pregnancy initiative**

2001-02 additional money	3	Sum included in final total above
2002-03 additional money	3	Sum included in final total above

### **Net ingredient cost of NRT on prescription**

**£ (million)**

1999-00 (HAZ)	0.1
2000-01	0.9
2001-02	21.7
2002-03	25.6
2003-04	32.5
2004-05	40.9
2005-06	43.5
2006-07	39.7
2007-08	35.8
2008-09	30.0
2009-10	31.2
2010	30.9

### **Net ingredient cost of Bupropion (Zyban) on prescription**

1999-00 (HAZ)	Not available until June 2000. No data
2000-01	14.7
2001-02	7.3
2002-03	4.7
2003-04	4.5
2004-05	5.2
2005-06	4.6
2006-07	4.3
2007-08	3.8
2008-09	2.2
2009-10	2.1
2010	1.7

### **Net ingredient cost of Varenicline (Champix)**

2006-07	0.76
2007-08	21.7
2008-09	24.2
2009-10	28.5
2010	52.5

Source: [Department of Health Statistical Bulletins 1999-2005](#); [Statistics on Smoking in England, 2007](#) [Prescription Cost Analysis report 2008](#) [Prescription Cost Analysis report 2009](#); [Prescription Cost Analysis England 2010](#) [Statistics on NHS stop smoking services England: April 2010-March 2011](#)

## **SMOKING IN PUBLIC PLACES AND THE WORKPLACE**

Scotland was the first country within the United Kingdom to ban smoking in all indoor workplaces and public places. The law entered into force on 26 March 2006. [The Smoking, Health and Social Care \(Scotland\) Act 2005](#) requires virtually all workplaces to become smokefree. Limited exemptions include places where the workplace is also a place of residence such as hospices and psychiatric hospitals.

A ban on smoking in workplaces and other indoor public places was implemented throughout the rest of the United Kingdom in April 2007 (Wales & N.Ireland) and July 2007 in England. The legislation is contained in the Health Act, which was passed in July 2006. Implementation details are contained in Regulations, available at: [www.smokefreeengland.co.uk/thefacts/situation.html](http://www.smokefreeengland.co.uk/thefacts/situation.html)

The Government allocated funding to support implementation of the smokefree legislation for the financial years 2006-07 and 2007-08.

The Department of Health distributed £29.5 million to support first-tier local authorities in England to undertake new work associated with the introduction of smokefree legislation on 1 July 2007. Local Authority Circular (2006) 17 sets out the background to the funding and breakdown by local authority. <http://www.dh.gov.uk/assetRoot/04/14/17/46/04141746.pdf>

## **MASS MEDIA HEALTH PROMOTION CAMPAIGNS TO ENCOURAGE SMOKING CESSATION**

Expenditure on mass media education campaigns in England and Wales increased significantly from 1999, reaching a peak in the 2004/05 financial year but has declined subsequently. Expenditure in 2004-05 included the provision of £15M over three years to Cancer Research UK and the British Heart Foundation.<sup>12</sup>

1999-2000 - £6.18m  
2000-2001 - £8.97m  
2001-2002 - £7.79m  
2002-2003 - £7.87m  
2003-2004 - £17.76m  
2004-2005 - £25.0m  
2005-2006 - £23.0m  
2006-2007 - £13.5m  
2007-2008 - £11.39m  
2008-2009 - £23.38m  
2009-2010 - £14.79m<sup>13</sup>

## OTHER TOBACCO CONTROL EXPENDITURE (England)

### Regional Tobacco Control

From 2003 until 2008 £2million a year was allocated to the Regional Directors of Public Health to fund local tobacco control strategies, including tobacco alliances.

The NHS Centre for Smoking Cessation and Training (NCSCT) received £3million from the Department of Health for the period April 2009 to March 2012.

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<sup>1</sup> Raw, M and Joossens, L. Progress in tobacco control policies in 30 European countries, 2005 to 2007. ENSP, 2007 [View report](#)

<sup>2</sup> Joossens, L and Raw M. [The Tobacco Control Scale 2010 in Europe](#) A report of the Association of European Cancer Leagues, Brussels, 2011

<sup>3</sup> Healthy lives, Healthy people: [A tobacco control plan for England](#) Department of Health, 2011

<sup>4</sup> Department of Health 2004 Spending Review Public Service Agreements. View [DH targets](#)

<sup>5</sup> Wanless, D. Securing Good Health for the Whole Population. Final Report. HM Treasury, 2004 [View report](#)

<sup>6</sup> A Smokefree Future. A comprehensive tobacco control strategy for England. HM Government, 2010

[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_111749](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_111749)

<sup>7</sup> [Health Survey for England 2010](#), [The Scottish Household Survey 2010](#) [The Welsh Health Survey](#), [Northern Ireland Health Survey 2010/11](#)

<sup>8</sup> PQs tabled by David Taylor MP. Response provided by HM Treasury on 10 June 2009

<sup>9</sup> PQ tabled by Dr Sarah Wollaston MP. Response provided by HM Treasury on 16 February 2011

<sup>10</sup> PQ tabled by Dr Sarah Wollaston MP. Response provided by UK Border Agency on 16 December 2011

<sup>11</sup> HMRC & UK Border Agency. [Tackling Tobacco smuggling - building on our success](#). A renewed strategy for HM Revenue & customs and the UK Border Agency. London, 2011

<sup>12</sup> House of Commons Hansard. Reply to a Parliamentary Question Column 362W 15/7/2008 <http://www.parliament.the-stationery-office.co.uk/pa/cm200708/cmhansrd/cm080715/text/80715w0031.htm>

<sup>13</sup> House of Common Hansard. Reply to a Parliamentary Question Column 379W 26/1/2011 <http://www.publications.parliament.uk/pa/cm201011/cmhansrd/cm110126/text/110126w0005.htm#1101272001338>