

## **DERBYSHIRE COUNTY COUNCIL**

### **Meeting with Cabinet Member – Health and Communities**

**7<sup>th</sup> October 2013**

#### **Joint Report of the Strategic Director Cultural and Community Services and the Director of Public Health**

#### **ILLICIT TOBACCO CONTROL**

##### **1. Purpose of the report:**

That the Cabinet Member – Health and Communities agrees to the transfer of £28,000 for 2013/14 and £55,000 for 2014/15 from the Public Health budget to the trading standards division to provide for the continued enforcement approach with regard to illicit tobacco.

##### **2. Information and analysis**

- 2.1 Smoking related illness was estimated to cost the National Health Service (NHS) £2.7 billion per year, or over £50 million every week<sup>1</sup> and the overall economic burden of tobacco use to society is estimated at £13.74 billion a year. These costs compromise not only treatment of smoking-related illness by the NHS but also the loss in productivity of smoking breaks and increased absenteeism, the cost of cleaning up cigarette butts, the cost of smoking-related house fires and the loss in economic output from people who die from diseases related to smoking or exposure to second-hand smoke<sup>2</sup>. For Derbyshire estimates show the following costs attributable to smoking: domestic fires - £7.6 million; cost of cleaning smoking materials litter - £5.1million (ASH Ready Reckoner Tool 2011). Further details of the smoking profile for Derbyshire are provided in appendix 1 to this report.
- 2.2 England has an ageing population and consequently the prevalence of major diseases will increase, it is therefore increasingly vital to reduce significant risk factors such as smoking. Based on population growth, by 2030 the number of heart attacks, stroke and emphysema sufferers will have increased by 50% (65+yrs). This will have a significant impact not only on health costs but on social care costs. A reduction in smoking prevalence will reduce social care and health costs overall.
- 2.3 Illicit tobacco – which includes non-duty paid tobacco smuggled into the country and counterfeit tobacco – are readily available in our communities. The lower price of illicit tobacco undermines government strategy of limiting

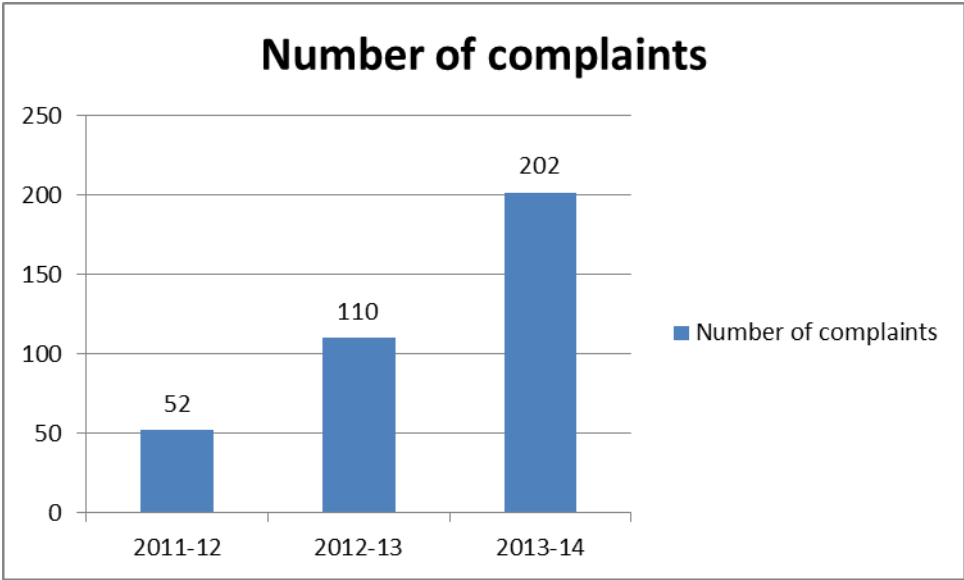
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<sup>1</sup> (Department of Health (DH) (2010) Our Health and Wellbeing Today. Crown copyright 2010; p.9)

<sup>2</sup> (Department of Health (DH) (2011) Healthy Lives, Healthy People: A Tobacco Control Plan for England. Crown Copyright 2011; p.14, 15, 17).

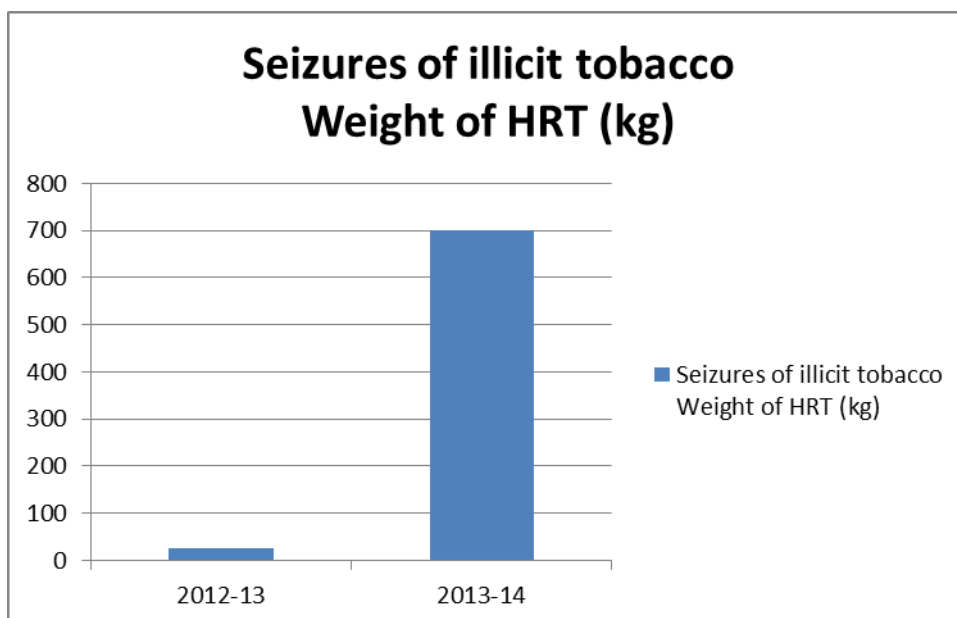
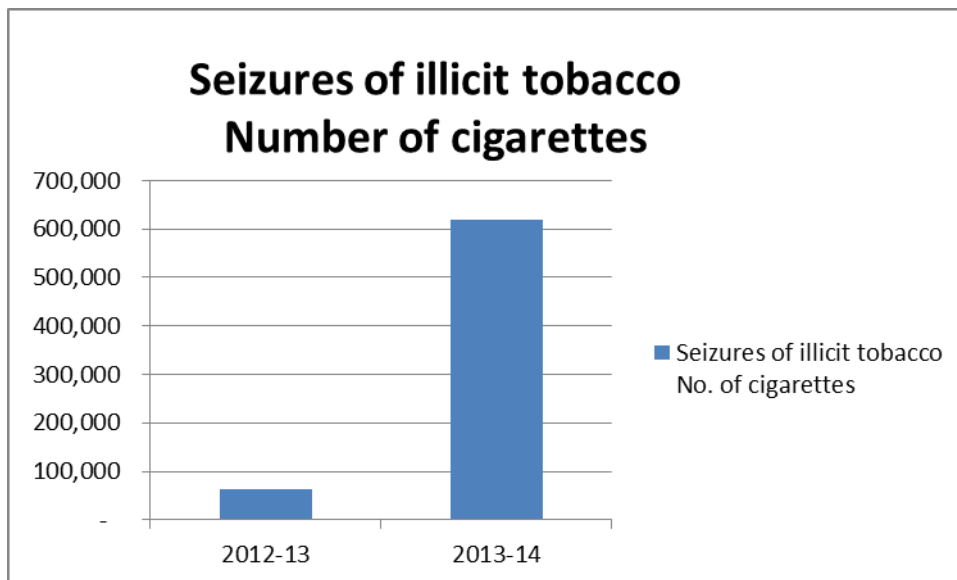
demand by keeping the price of tobacco high. There has been a significant rise in reports of the sale and/or supply of counterfeit and illicit tobacco in the recent years. The main reason for this increase has been the rise in shops selling illegal tobacco. We also receive a significant number of reports about ‘fag houses’ - private houses where an individual sells tobacco/cigarettes illegally. As well as a likely increase in smoking prevalence, the availability of cheap illegal cigarettes on the high streets of Derbyshire market towns also represents unfair competition to the local legitimate retail sector. One business quoted a loss of sales of £3,000 a week as a result of the sale of counterfeit tobacco.

**Table and graph showing increase in complaints about illicit tobacco**



2.4 The amount of illegal tobacco seized by Derbyshire trading standards has increased ten-fold in the past six months. In 2012/13 approximately 62,000 cigarettes and 26 kg of hand-rolling tobacco (HRT) were seized by trading standards staff. This equates to a ‘high street’ value of over £30,000. In the first five months of 2013/14 Derbyshire Trading Standards Service has already seized over 600,000 cigarettes and approximately 700kg of HRT. With Police support and the services of a specially trained sniffer dog, officers have conducted 19 raids on 12 shops since January this year. There have been 25 arrests and 14 search warrants executed on shops or domestic houses associated with the business. 14 industrial storage units have also been searched. It is estimated that the illicit tobacco seized this year has a ‘street value’ of approximately £500,000. As well as the illicit tobacco, c£12,000 cash has been seized as well as three cars and 43 mobile phones together with 2 satellite navigation systems – all of which will require forensic examination at a further cost to the rate payer.

**Table and graph showing seizures of illicit tobacco by trading standards staff**



- 2.5 Responsibility for preventing the sale and supply of illicit tobacco is shared between a number of enforcement agencies. Her Majesty's Revenue and Customs (HMRC) have primary responsibility for ensuring that import duties and other relevant taxes are paid. They are active in tackling illicit tobacco at point of entry into the UK. The local authority has a variety of statutory responsibilities under the Trade Marks Act 1994 and the Tobacco Products (Manufacture, Presentation and Sale) (Safety) Regulations 2002 made under the Consumer Protection Act 1987. Similarly the Police can have a potential involvement where the illegal activity amounts to fraud and the criminals responsible are organised. Derbyshire Trading Standards division continues to work closely with Derbyshire Police and other local and regional enforcement colleagues. Trading Standards authorities in the East Midlands – supported by East Midlands public health authorities – have recently appointed a regional tobacco coordinator (based in Leicestershire) to support and coordinate this work.

2.6 At the Cabinet meeting on 30<sup>th</sup> July 2013, funding of £28,000 for 2013/14 and £55,000 for 2014/15 was agreed to be transferred from the Public Health budget to the trading standards division to ensure the continued prioritisation of illicit tobacco control. It is now proposed that this funding be used by the trading standards division to continue to tackle the problem with local and regional enforcement colleagues. Whilst it is difficult to estimate the amount of illicit tobacco that is currently being smuggled into the East Midlands and Derbyshire, the anticipated outcomes from this funding are:

- Continued seizures of illicit tobacco
- Enforcement actions against individuals selling and/or supplying illicit tobacco
- An increased awareness of the harm from illicit tobacco

2.7 The trading standards division will continue to monitor complaints about illicit tobacco; amounts of cigarettes and HRT seized; the number of enforcement actions – tobacco seizures, cautions, prosecutions; and the number of media releases about illicit tobacco. A report will be presented at the end of each financial year to evaluate the outcomes of this work.

### **3. Financial Considerations**

It is proposed that funding of £28,000 for 2013/14 and £55,000 for 2014/15 be transferred from the Public Health budget to the trading standards division.

### **4. Other considerations:**

In preparing this report the relevance of the following factors has been considered; legal, prevention of crime and disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

### **5. Background papers**

Tobacco Control CabCo Report dated 7<sup>th</sup> July 2013; Public Health Commissioned Services in 2013-15; Cabinet Report 30<sup>th</sup> July

### **6. Key Decision:**

No

### **7. Call-in:**

Is it required that call-in be waived for any decision on this report?

No

**8. Officers' recommendation:**

That the Cabinet Member – Health and Communities agrees to the transfer of £28,000 for 2013/14 and £55,000 for 2014/15 from the Public Health budget to the trading standards division to provide for the continued enforcement approach with regard to illicit tobacco.

**Martin Molloy**  
**Strategic Director**  
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**Elaine Michel**  
**Director of Public Health**  
**Health and Community Safety**

## Smoking Profile for Derbyshire

- Adult smoking prevalence (18+ years) in Derbyshire is estimated to be 18.6% (95% CI 16.7% - 20.4%), which equates to approximately 113,871 smokers.
- NICE guidance recommends that 5% of the local population of smokers should be treated every year. In Derbyshire, this means around 5,694 smokers should be accessing stop smoking services annually.
- In 2012/13, 6,769 smokers living in Derbyshire set a quit date through stop smoking services - 6% of the estimated smoking population and above the NICE recommendation.
- A higher percentage of those accessing Derbyshire Stop Smoking Services (DSSS) were women (54%) even though more men are smokers.
- 22% of smokers accessing DSSS were aged 35-44 years, the highest percentage of all age groups. Uptake was particularly low for men aged 18-24 years and women over 65 years.
- Adult smoking prevalence (18+ years) in Derbyshire in Routine and Manual (R & M) groups is estimated to be 30.2% (95% CI 25.9% - 34.5%), which equates to around 75,821 smokers.
- Based on populations, the majority of R & M smokers are likely to be in the East of the County, and there is a strong relationship between R & M occupations and overall deprivation.
- Smoking prevalence in the unemployed population is estimated to be 35%. In Derbyshire this would mean that approximately 4,356 of people claiming out of work benefits are smokers.
- 701 smokers accessing DSSS were long term unemployed/never worked (10% of total accessing), and overall quit rates were lower than the average.
- Smoking prevalence is estimated to be above average for males in ethnic minority groups, particularly in the Black Caribbean, Pakistani, Bangladeshi and White Irish groups.
- Derbyshire does not have a large ethnic minority population and there are approximately 1,340 smokers, with the largest numbers in the White Irish, Indian and Black Caribbean populations.
- 171 (2.5%) of the total accessing DSSS were from ethnic minority groups, although 282 (4.2%) did not state their ethnicity. Quit rates were generally higher than average, but access does not necessarily equate to the population.
- Smoking prevalence is higher than average in people with common mental health disorders such as depression (37%), and in people that are drug users (69%) and alcohol dependent (46%).
- Approximately 16% (1,170) of pregnant women in Derbyshire in 2012/13 were known to be smokers when they gave birth. In 2012/13, 321 pregnant women accessed DSSS, and of these 225 had stopped smoking at 4 week follow up.
- In Derbyshire, an estimated 1,593 boys and girls aged 13-15 years are regular smokers. A total of 109 13-15 year olds accessed DSSS, and 33 (30%) had quit at 4 weeks.
- Distribution of the type of services offered varies between districts and depends on the sign up and the Local Enhanced Services in place.

- Fewer people accessed telephone support and group services, but these had the highest quit rates (77% and 75%) and groups (75%) had the highest quit rates. Pharmacy (57%), Practice (58%) and drop in (58%) had lower quit rates but were still above the national average.
- Uptake of service type varies by both gender and age. Those aged <18 years that accessed group services had the most success in quitting smoking.