

ACS Briefing: The Khan Review

ACS (the Association of Convenience Stores) represents 33,500 local shops across the UK. This briefing sets out ACS' response to [The Khan Review: Making Smoking Obsolete](#) policy recommendations. We have valued the opportunity to engage with Dr Javed Khan OBE and the Office for Health Improvement and Disparities as they have developed the review document.

We acknowledge and support the public health objectives of the review. Our objective is to ensure that policy makers have properly considered the implications of the Khan Review recommendations on convenience retailers that currently trade in the most highly regulated tobacco market in the world.

We have highlighted in this briefing the recommendations of the review that would have a direct impact on convenience retailers and set out some key considerations for policy makers. We value the opportunity to engage openly with all policy makers and stakeholders about the operational implications of these measures on convenience retailers.

Khan Recommendation 2: Raise the age of sale of tobacco from 18, by one year, each year

Friends, family or strangers are the main source of tobacco products not shops

The latest data from the NHS Smoking, Drinking & Drugs Use Survey¹ demonstrates that of young people who smoke 70% of them access tobacco through friends, parents and relatives. The huge decline in youth access from shops (from 46% in 2014 to 23% in 2018) reflects the convenience sector's commitment to responsible retailing and successful implementation of age verification policies in stores, such as Challenge 25. Young people know they will not be able to access age restricted products in shops. The problem has therefore been displaced from access via shops to friends, parents and relatives. We must ensure that we are addressing the main source of youth access to tobacco products.

Increasing the age of sale of tobacco each year will disrupt existing successful age verification processes

Any change to age restriction represents a challenge to retailers as they must retrain their staff about new processes while also communicating the change to their customers. The age restriction of 18 years of age for tobacco is widely understood by consumers as it aligns across several other products including alcohol or National Lottery.

The proposal to increase the age of sale for tobacco products every year will increase burdens on retailers and their store teams. Retailers and their store teams will be on a 6 monthly carousel of having to deliver new training programs for store colleagues, new store signage and consumer communications to ensure preparations are in place for the annual change in age restriction.

We believe that the existing age restriction of 18 years of age, alongside age verification policies like Challenge 25, is working well at preventing illegal youth access to tobacco products. We urge policy makes to consider the operational disruption this would cause retailers.

¹ [NHS Smoking, Drinking & Drug Use Survey: Young people who smoke](#)

Khan Recommendation 4: Introduce a tobacco licence for retailers to limit where tobacco is available

What problem does tobacco licencing solve? New funding for enforcement activity should be dedicated to tobacco control within existing trading standards and HMRC enforcement teams

Licensing systems are only as good as the enforcement budgets and resources that back them. Trading Standards departments and HMRC enforcement teams are already stretched meaning they cannot keep pace with existing requests for enforcement action where illegal activity relating to underage sales or duty evasion are reported. The recommendation for a tobacco licensing system will create a new bureaucracy for enforcement agencies to contend with when they are already struggling to carry out their current enforcement activity. The money spent developing a new licensing system would be better targeted at existing enforcement teams' budgets to act quickly on reports of illegal activity.

The Khan Review does not acknowledge the existing tobacco track and trace system in the UK that can identify the location of every legal tobacco product in the country at any point in the supply chain and where it is being sold from. The UK's Tobacco Track and Trace system is already a licensing system; retailers must apply for unique identifier codes to sell tobacco and retailers lose their unique identifier code if they break the law and can longer purchase or sell tobacco. Despite this highly sophisticated tracking system, illegal operators still sell illegal tobacco outside of the existing regulatory framework. Illegal traders will not stop if we introduce a new tobacco licensing system.

Limiting outlets would reduce investment and erode standards

Using a licensing system to limit the number of tobacco outlets would make retailers unlikely to open new shops if they were not sure they could gain the right to sell tobacco. This would frustrate competition, investment and innovation. It is not entirely clear if this is how the review envisages a licensing system being used, but it is implicit and we would welcome clarity on this point.

Retailers found to be selling illegal or non-duty paid tobacco should be punished

ACS fully endorses tough penalties for any retailer found to be selling illegal or non-duty paid tobacco products. The best penalties are the removal of retailers from trading tobacco products or closes down their premises completely. This can be achieved through removing unique identifier codes, a premises' alcohol license, the use of large fines or direct criminal sanctions.

Khan Recommendation 3: Substantially raise the cost of tobacco duties (more than 30%) across all tobacco products, immediately.

When tobacco duties increase consumer move to the black market, especially during a cost-of-living crisis

Continual increases in tobacco duty have driven consumers to black market operators that brazenly trade in left behind communities with little fear of reprisals. In recent polling of 12,000 smokers 71% indicated that they purchased tobacco not subject to UK tax². With planned duty increases coming down the line and rising inflation, we expect this number to increase. Increasing the cost of duty will drive more consumers to the illicit market away from legitimate and responsible retailers.

² Tobacco Manufactures Association Polling of 12,000 UK Smokers 2022

We welcome the proposals to ban duty-free cigarettes and hand rolling tobacco being brought into the UK. It has long been a strange quirk of the UK government policy that non-duty paid tobacco was permitted for purchase in duty free shops while UK retailers have to levy the highest duty rates in the world on consumers.

Khan Recommendation 8: Offer vaping as a substitute for smoking, alongside accurate information on the benefits of switching, including to healthcare professionals

E-cigarettes and other vaping products are important smoking cessation tools, but more needs to be done to tackle the illegal market.

We endorse the review's recommendations to enhance accurate information for consumers around vaping products. It is important that the regulatory framework facilitates a properly functioning e-cigarette market to allow consumer to realise the smoking cessation benefits.

There is a growing problem of illegal vaping products entering the UK vaping market. We need more action from enforcement agencies to prevent these products entering the UK market. ACS has produced assured advice on e-cigarettes sales³ to ensure retailers have the best possible information available to them to ensure they are selling legally compliant e-cigarettes and vaping products.

For more information about the briefing please contact [REDACTED] [@acs.rg.uk](mailto:[REDACTED]@acs.rg.uk) or [REDACTED] [@acs.org.uk](mailto:[REDACTED]@acs.org.uk). You can view ACS' media reaction to the Javed Khan Review [here](#)

³ [ACS E-cigarette Assured Advice 2022](#)