



National Assembly for Wales / Cynulliad Cenedlaethol Cymru
[Health and Social Care Committee / Y Pwyllgor Iechyd a Gofal Cymdeithasol](#)

[Public Health \(Wales\) Bill / Bil Iechyd y Cyhoedd \(Cymru\)](#)

Evidence from the Tobacco Retailers' Alliance – PHB 98 / Tystiolaeth gan Y
Gynghrair Manwerthwyr Tybaco – PHB 98

Tobacco Retailers' Alliance

Response to the Health and Social Care Committee's Consultation on the *Public Health (Wales) Bill*

04 September 2015

1. Who Are We?

The Tobacco Retailers' Alliance (TRA) represents legitimate retailers who sell tobacco products in a legal and responsible way. It is an organisation that works to raise awareness about tobacco-related issues that affect smaller shops and convenience stores – of which there are more than 50,000 in the UK. The TRA helps to drive up standards in the retail sector by providing its members with guidance on legal compliance in regard to illicit trade, under age sales and other areas of tobacco legislation.

The TRA is funded by the Tobacco Manufacturers' Association (TMA) through its member companies – British American Tobacco, Imperial Tobacco Limited and Gallaher (a member of the Japan Tobacco Group of Companies). The TMA supports the TRA so that it can offer free membership to any independent retailer who sells tobacco legally and wishes to join the Alliance.

2. Scope of Response

The TRA comments only on legislative proposals which are likely or certain to have an impact on shopkeepers. The tobacco and nicotine products sub-section of the *Public Health (Wales) Bill* encompasses two proposals that will affect retailers: the planned national register of retailers of tobacco and nicotine products and the suggested additions to Restricted Premises Orders (RPOs).

3. Background

The tobacco-related provisions in the *Public Health (Wales) Bill* aim to protect children and young people under the age of 18. The TRA works with the TMA and other interested stakeholders in order to provide its members with information and advice on how to comply

with existing youth access prevention legislation. The TRA also offers training to its members in this area in an effort to spread best practice throughout the network of affiliated stores. These services are offered free of charge. They form an integral part of the TRA's offer to its members. In this sense, the TRA supports the objectives of the Welsh and wider UK Governments.

The TRA also campaigns against the illicit tobacco trade in the UK. In Wales alone, illicit tobacco consumption cost retailers more than £316 million in lost sales in 2014, which amounted to approximately £43,000 per small shop.¹ It is clear that those who sell illegal tobacco do not adhere to youth access prevention legislation and that tackling this issue must form a key plank in any attempt to protect children.

4. Tobacco Retailers' Register

The TRA are not opposed to a tobacco retailers' register in Wales if it helps improve the level of compliance, specifically in relation to preventing sales to children. But, TRA members are concerned that the current proposals will result in significant additional costs for retailers. Retailers have been subjected to a range of anti-tobacco legislation over the past five years, which has increased overheads at a challenging time for high street stores. Moreover, in the Summer Budget, the Government announced that it would introduce a National Living Wage, which will increase employment costs for retailers considerably over the course of the present Parliament.² Indeed, the Centre for Retail Research estimates that by 2020:

The introduction of the so-called 'living wage' will cost retailers £3.26 bn per year in extra pay, national insurance and pensions. It will increase inflation by 1.1% per year to 2020, cut jobs and hours in the sector by 42,000 FTE and lead to a further 6,274 stores closing in the period 2016-2020.³

In this context, the introduction of a fee paying retailer registration scheme – as the Welsh Government proposes – that will introduce new costs to retailers in Wales in 2017/18 of up to £246,000 is irresponsible and is likely to damage the Welsh retail sector.⁴ The TRA urges the Welsh Government to reconsider the charges associated with the proposed register in light of the other pressures on shopkeepers' balance sheets.

5. Adding Offences to Restricted Premises Orders (RPOs)

The TRA is not opposed to the addition of new offences that would result in a local authority applying a RPO, especially as this is perceived as a means of enforcing a "negative licensing

¹ TRA Regional Non-UK Duty Paid Loss Estimates.

² [Summer Budget 2015](#)

³ <http://www.retailresearch.org/livingwage.php>

⁴ <http://www.assembly.wales/laid%20documents/pri-ld10224-em/pri-ld10224-em-e.pdf>

scheme for Wales”.⁵ The TRA favours a negative licensing approach to tobacco retailers, rather than a formal alternative. The TRA considers this to be the most cost effective approach to ensuring that retailers comply with legislation.

6. Conclusion

The TRA wants to work with all relevant stakeholders in Wales and beyond to ensure that tobacco products are sold, purchased and consumed only by those legally allowed to do so. It also wants to work with partners to ensure that such tobacco products are legal. The TRA does not oppose a registration scheme, so long as it is designed in a way that will not place greater cost burdens on retailers. Nor does the TRA oppose other measures that are intended to encourage youth access prevention, so long as such proposals are grounded on evidence and, crucially, practicality.

⁵ <http://www.assembly.wales/laid%20documents/pri-ld10224-em/pri-ld10224-em-e.pdf>