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Summary of Findings

1. Industry participation in policy development

The U.K. government, and devolved administrations, did not accept offers of assistance from the tobacco industry, endorse its policies nor invite industry representatives to attend policy meetings. The U.K. delegation to the World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC) Conference of the Parties (COP) excluded industry representatives. However, there were instances of industry representatives, or organizations affiliated to the industry, participating in or funding informal parliamentary groups. The tobacco industry is allowed to provide responses to public regulatory consultations, and failure to do so could leave any tobacco control legislation open to legal challenge. Tobacco companies and their allies used this opportunity to submit many responses leading to the majority of responses being aligned with industry narratives and interests in some cases. However, respondents to health-related consultations are required to declare any link to the industry.

2. Industry CSR activities

Tobacco industry activities described as “socially responsible” were not banned in the U.K. There were instances of the government requesting support from the tobacco industry, of an MP supporting an industry study and several government departments were members of a think tank which also had tobacco industry members. The tobacco industry continued to promote its corporate social responsibility (CSR) activity among parliamentarians using informal parliamentary groups and direct lobbying.

3. Benefits to the industry

The U.K. government, and devolved administrations, did not grant exemptions to the tobacco industry. However, there were no clear rules mandating the government not to provide preferential treatment to the industry. The major tobacco companies continued to pay very low levels of corporation tax in the U.K., due to generic rules on corporation tax which are not specific to the tobacco industry. After Brexit, the U.K. conducted a consultation on duty-free and tax-free products, which included submissions from the travel, alcohol and tobacco industry, and led to the U.K. extending the duty-free privileges for tobacco products to travelers returning from the EU. However, the previous duty paid allowances for travelers from the EU were removed and, for the first time, heated tobacco products were included in the duty-free limits.

4. Unnecessary interaction

There was no evidence that top-level U.K. officials attended tobacco industry social functions, but several instances of unnecessary interactions have been noted between the tobacco industry and more junior officials, diplomats and politicians. At the time of writing this report, parliamentary data on functions and hospitality covered only the period to July 31, 2020. There was no evidence that the government or devolved administrations accepted assistance from the industry for their tobacco-control activities, but there were cases of limited engagement of the tobacco industry with the local authorities. The government hosted a roundtable with the industry to tackle cigarette butt litter in the U.K., although at the

same time the government also announced it is aiming to use environmental legislation rather than a voluntary approach to make tobacco manufacturers clear up the toxic waste caused by cigarette butts.

5. Transparency

In the past, the Department of Health and Social Care (DHSC) adopted guidelines for the implementation of Article 5.3, requiring organizations it engaged with to disclose any links with the tobacco industry. However, there was no general requirement for the industry and affiliated entities to register with the government. Given the industry's growing use of third parties and the challenges of tracing its links to, and funding of, third parties, this continues to be an important omission.

6. Conflict of interest

General rules regulated political contributions to political parties, candidates and campaigns, and the disclosure of such contributions worth over £7,500. However, no legislation specifically prohibited the tobacco industry from making political donations. No government officials held positions in the tobacco industry, but several instances of past involvement, direct and indirect, have been identified, including for senior government officials during the period in question.

7. Preventive measures

There was no comprehensive set of rules regulating public officials' interactions with the tobacco industry, aside from the Foreign and Commonwealth Office (FCO) code. There was a government procedure for disclosing the records of interaction with the tobacco industry, but this has been implemented only in part. Some agencies, e.g. Public Health England (PHE) and the Department for Environment, Food and Rural Affairs (DEFRA) published minutes of meetings with stakeholders linked to the industry and the Scottish government required a declaration of interests at its Ministerial Group on Tobacco. Some departments, e.g. HM Revenue and Customs (HMRC), published very little detail about meetings, while others, e.g. HM Treasury, reported meetings regularly for a period but then stopped.

Tobacco manufacturers collected data on profits, taxes, prices, sales, marketing and research spend and were required to provide some of these data to the government. However, taxpayer confidentiality laws have been applied to prohibit the publication of data provided to HMRC and the government was allowed to publish information only on the ingredients in, and emissions from, tobacco products. There was no evidence that there was a systematic strategy for raising awareness of government departments or devolved administrations on policies relating to the Article 5.3 Guidelines. Finally, there was no specific policy preventing government officials from accepting industry contributions (or persons moving from civil service posts to jobs in the tobacco industry, or vice versa), although such interactions were separately governed by anti-corruption regulations.



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Recommendations

1. Require, collect and publish tobacco industry data (including on profits, taxes, prices, spending on marketing, research and CSR, and local sales data of all products)—as recommended by the backbench All-Party Parliamentary Group (APPG) on Smoking and Health—and ensure such data is published in a useable format and if possible, with a breakdown by devolved nation.
2. Ensure comprehensive procedures for publishing details of all meetings with the tobacco industry, and vested interests (groups and individuals funded by the industry), are fully implemented across all government departments.
3. Implement and embed central and devolved government programs to regularly raise and maintain awareness of Article 5.3 and how to comply with it across the whole of government.
4. Require the DHSC to develop and disseminate, in partnership with devolved administrations, a comprehensive set of rules for public officials, prescribing standards with which public officials should comply in dealings with the tobacco industry and vested interests.
5. Ban tobacco industry and vested interests' CSR activities in the U.K.
6. Require better enforcement of the FCO guidelines.
7. Identify and separate the tobacco industry responses to regulatory consultations in the government summaries, when related to public health and tobacco control.
8. Create and maintain a publicly accessible, comprehensive and legally binding lobbying and policy influence transparency register across U.K. administrations. Furthermore, make it a legal requirement for organizations involved in policy discussions to register and disclose their funding before lobbying. Ensure that organizations failing to register or fully declare funding are excluded from policy discussions.
9. Avoid conflicts of interest by prohibiting the tobacco industry and vested interests from making contributions (monetary or otherwise) to political parties and public officials at all levels. The latter would include offers of assistance, policy drafts, study visit invitations, hospitality and funding. Prohibit public officials from holding positions in, or being seconded to, the industry, or taking up posts with the industry within a defined number of years after leaving public positions (and vice versa).
10. Audit HMRC to ascertain whether the government provides preferential tax exemption to the tobacco industry and remove duty-free concessions for tobacco products. Exempt the tobacco industry from being able to reclaim against corporate tax for marketing (including CSR) and promotions.
11. Ensure that bilateral trade agreements developed as a result of Brexit are compliant with the U.K.'s obligations as a Party to the WHO FCTC and the Protocol to Eliminate Illicit Trade in Tobacco Products, and contain exemptions allowing for the protection of public health.