THE LEGITIMATE HIGH STREET FRAMEWORK

Disrupting Organised Crime.
Protecting Legitimate Commerce.
Enabling High Street Renaissance.

A Policy White Paper 2026

A Policy White Paper

APTUS

Business Crime Research Centre

2026

Foreword

Since its foundation in 1844, the Co-op has existed to serve its members but we do so in the place where they live. It is why above all our 2,300 shops in every postal area in the UK, you will see 'Welcome to' followed by that community's name.

Places matter for the Co-op because those places – in all their richness and wonder – matter to our 7.5 million members.

Nowhere is this truer than in the thousands of high streets, shopping parades and local precincts up and down the country where the Co-op serves its members and their communities.

And we have seen – through the eyes of our millions of members and our tens of thousands of colleagues – those places begin to falter and fail as they are increasingly defined by those who do not have the interests of the community in mind.

Professor Taylor's research casts a searing light on the reality for high streets and the danger they are in as illicit tobacco, stolen goods and retail crime become an everyday occurrence.

It is her prescription which is most powerful though.

This isn't an insoluble problem. It isn't one for the too hard box. It can't be, it is too important for communities and the millions of Co-op members in them.

It's clear the Government understand this and we urge them to examine closely the detail of Professor Taylor's recommendations. We are, of course, ready to lend our support to all efforts to help our High Streets become again the beating hearts of communities.

As we have done for more than 180 years, the Co-op will be with our members in their communities.

On their corner and in their corner.

Paul Gerrard
Campaigns, Public Affairs and Policy Director
The Co-op Group

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Executive Summary

Britain's high streets have undergone profound transformation over the past decade. The growth of online retail, changing consumer expectations, the lasting effects of the COVID-19 pandemic, the cost-of-living crisis and sustained competition from out-of-town retail parks have fundamentally reshaped the retail landscape. Yet these forces alone do not explain the changing face of the high street. Crime has also been a powerful, if often overlooked, driver of change.

The story of the high street is therefore not simply about the retailers that have disappeared. It is equally about understanding where and why criminal enterprise has emerged and taken root, how illicit economies gain a foothold, and what can be done to reverse that trajectory. Understanding this relationship is essential if policymakers are serious about creating high streets that are safer, more vibrant and economically resilient.

The Illicit Economy: How Crime Undermines High Street Renaissance

Recent years have seen Britain's high streets increasingly shaped by the growth of illicit economies. Record levels of shop theft, retailers selling illicit tobacco, the brazen trade in stolen and counterfeit goods, sham businesses used to launder criminal proceeds, and the violence and anti-social behaviour associated with organised crime are no longer isolated problems. Together, they form a shadow economy that competes with legitimate enterprise and undermines the vitality and safety of town centres.

This white paper examines three of the most significant manifestations of this illicit economy: the expansion of the illicit tobacco market, unprecedented levels of shop theft, and the growth of rogue businesses that operate as hubs for organised criminality. These are not separate challenges but interconnected symptoms of a broader erosion of legitimacy on Britain's high streets.

If Britain's high streets are to experience the renaissance envisaged under Andy Burnham's policy platform, tackling crime must be recognised as the foundation for renaissance, not simply a parallel objective. A thriving high street cannot coexist with an expanding shadow economy that undercuts legitimate businesses, erodes public confidence, diminishes perceptions of safety, and weakens community cohesion. Restoring confidence in our town centres therefore requires restoring the legitimacy of the high street itself.

The Legitimate High Street Framework

This white paper presents The Legitimate High Street Framework; an approach to creating legitimate, safer and resilient high streets and holding those individuals and entities accountable when they break the rules and engage in criminal activity. For too long, offenders have operated with almost impunity.

The Legitimate High Street Framework is structured around the three pillars of legitimacy, collective guardianship and accountability. These three pillars are captured by three simple questions that every policymaker, local authority, police force, Business Improvement District, Business Crime Reduction Partnership and retailer should ask of their high street:

Pillar 1: Legitimacy – "Who belongs here?"

This pillar focuses on protecting legitimate commerce by preventing, disrupting and displacing illicit trade, ensuring that lawful enterprise – not criminal enterprise – defines the character of the high street.

Pillar 2: Collective Guardianship – *"Who is responsible?"*

This pillar focuses on strengthening collective guardianship through partnership, intelligence-sharing and active stewardship of place. Moving beyond policing, guardianship becomes a multi-agency and community responsibility.

Pillar 3: Accountability – *"What happens when the rules are broken?"*

This pillar focuses on ensuring that offenders, rogue businesses and organised criminal enterprises are held accountable for their actions by facing swift, certain and proportionate consequences that protect legitimate commerce and reinforce public trust.

Throughout this white paper, tackling organised, prolific and opportunistic crime is presented as the foundation of high street renaissance. Policymakers, policing, local authorities and place managers must view crime prevention not simply as an operational policing responsibility, but as an essential investment in community confidence, economic resilience and the long-term success of the high street renaissance.

Recommendations at a Glance

This white paper recommends that Government adopts **The Legitimate High Street Framework** as the crime prevention component of its High Streets Strategy. The recommendations that emerge when applying this Framework are outlined in the table below.

Pillar 1: Legitimacy

Who belongs here?

- **Accelerate the closure of rogue businesses** by strengthening Closure Notices and Orders, extending their duration where appropriate, and improving cross-border intelligence sharing.
- **Strengthen Trading Standards** through increased investment and enhanced intelligence-led partnership working with policing and other enforcement agencies.
- **Extend access to Tobacco Track and Trace (TT&T)** for policing and other enforcement bodies to improve the detection and investigation of organised crime.
- **Enhance Tobacco Track and Trace (TT&T) functionality** to improve the identification of stolen tobacco products alongside counterfeit and smuggled goods.
- **Protect victim businesses within the licensing system** by ensuring that businesses experiencing crime are not penalised for reporting it.
- **Launch a national behaviour change campaign** to reduce demand for illicit goods, improve retailer compliance and strengthen public support for legitimate commerce.

Pillar 2: Collective Guardianship

Who is responsible?

- **Establish High Street Legitimacy Partnerships** to coordinate intelligence sharing, prevention activity and partnership working.
- **Introduce an Annual Legitimate High Street Audit** to assess legitimacy, collective guardianship and accountability alongside traditional regeneration measures.
- **Embed visible guardianship in regeneration**, applying Crime Prevention Through Environmental Design (CPTED) principles alongside High Street Wardens, PCSOs, Special Constables and community ambassadors.
- **Make intelligence-led multi-agency enforcement business as usual**, building on initiatives such as Operation Zoridon and Operation Machinize.

Pillar 3: Accountability

What happens when the rules are broken?

- **Strengthen sanctions against rogue businesses**, preventing organised criminal enterprises from relocating and reopening following enforcement action.
- **Increase the certainty of enforcement** through coordinated use of criminal, civil, regulatory and financial powers.
- **Expand restorative justice-informed Out of Court Resolutions** to deliver swift, proportionate and visible consequences for lower-level offending while reducing reoffending.

These recommendations and their rationale are outlined in greater detail in Chapter 3 of this white paper.

1. Introduction: Crime and the High Street

Crime is not simply a consequence of high street decline; it has become one of its principal drivers

For decades, high street regeneration has focused almost exclusively on attracting investment and increasing footfall. These are important objectives, but they overlook one of the principal forces driving decline: persistent acquisitive crime and the growth of illicit retail economies.

No amount of public funding or architectural innovation can revitalise a community if legitimate businesses lack the confidence to invest and its residents are fearful of crime and anti-social behaviour. When crime takes root, the trust required for local commerce and community interaction evaporates, trapping neighbourhoods and towns in a cycle of decline. True high street regeneration cannot be achieved through cosmetic upgrades or economic incentives alone; it requires a proactive approach to building legitimate commerce and public safety.

Furthermore, a thriving high street cannot coexist with an expanding shadow economy that undermines legitimate businesses, erodes public confidence and weakens community cohesion. This white paper urges the Government to focus attention on disrupting the organised criminal networks that have become active in many towns across the country. Only by disrupting these criminal markets can regeneration deliver the vibrant, safe and confident high streets that communities deserve.

High Streets; the Heart of the Community

Britain's high streets have always been more than centres of commerce. They are civic spaces where people meet, work, access essential services and participate in community life. They provide employment, support entrepreneurship and innovation, foster social interaction, and contribute to the distinctive identity of towns and cities across the country. A thriving high street is therefore a barometer not only of economic vitality, but of the health and wellbeing of the communities it serves.

Yet Britain's high streets have undergone profound transformation over the past decade. The growth of online retail, changing consumer expectations, the lasting effects of the COVID-19 pandemic, the cost-of-living crisis, and sustained competition from out-of-town retail parks have fundamentally reshaped the retail landscape.[1] Between March 2020 and March 2022 alone, Britain experienced a net loss of more than 9,000 high street retail premises, with department stores, banks, pharmacies, pubs and clothing retailers among the hardest hit.[2]

Between March 2020 and March 2022 alone, Britain experienced a net loss of more than **9,000 high street retail premises**

These changes have altered not only the composition of the high street but also its purpose. As traditional retail footprints contract, town centres are increasingly expected to combine shopping with hospitality, leisure, culture, public services and community activity. It is clear that the future of the high street will not be secured by attempting to recreate the past. It will depend on creating places where people actively choose to spend their time, invest and do business.

Crime and anti-social behaviour represent one of the greatest barriers to achieving that ambition. Beyond the immediate harm they cause, they diminish perceptions of safety, deter investment and erode public confidence. Their effects are evident not only through direct observation of criminal incidents, but also through its enduring signs: criminal damage, graffiti, vacant and neglected premises, and the wider harms associated with organised crime, including drug supply, labour exploitation, counterfeit goods and illicit markets. Together, these factors undermine both the reality and the perception of the high street as a safe and welcoming place.

This white paper does not seek to provide a comprehensive blueprint for high street regeneration. Numerous reports have examined what should be built, funded or invested in. This white paper focuses instead on what must exist before those investments can succeed.

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1 Parliament. UK (2024) Built Environment Committee; High Streets: Life beyond retail? Available at: publications.parliament.uk/pa/ld5901/ldselect/ldbuiltenv/42/4211.htm

2 BBC News (2022) 'How Has Your High Street Changed Since 2020?' Available at: www.bbc.co.uk/news/uk-63799670

Its central argument is simple: safe, legitimate, well-governed and vibrant places are not the outcome of successful regeneration alone. Regeneration must be accompanied by a concerted effort to level the playing field, ensuring that crime cannot take root, thrive and ultimately displace legitimate commerce. Without these foundations, businesses reduce opening hours or withdraw investment, customers shop elsewhere and communities lose confidence in public space. Over time, these individual decisions accumulate, altering the composition of the high street itself as legitimate commerce contracts and illicit markets expand. Recognising this dynamic is fundamental to understanding why crime prevention is not peripheral to regeneration policy but rather is central to it.

Crime: The Missing Piece of High Street Renaissance

Much has been written about the physical regeneration of high streets, attracting investment, improving public spaces and encouraging footfall. Yet, comparatively little attention has been paid to one of the principal forces capable of undermining each of these ambitions: crime.

Decades of criminological research demonstrate that visible signs of neglect and disorder can accelerate decline by reducing confidence, discouraging investment and creating opportunities for further offending.

Persistent shop theft, violence and abuse towards retail workers, anti-social behaviour, criminal damage and organised crime all erode business confidence and increase operating costs. Some retailers now report that offending has reached a level where stores are no longer commercially sustainable. Decisions to reduce opening hours, withdraw services or close stores altogether are increasingly influenced not only by changing consumer demand but by the cumulative impact of crime.[3]

The consequences extend far beyond individual businesses. Vacant premises reduce natural surveillance, discourage investment and diminish public confidence. Essential local services disappear, particularly in communities already experiencing disadvantage, reducing access to affordable food, banking, pharmacies and other everyday necessities. As legitimate businesses retreat, opportunities emerge for illicit enterprises to occupy the space they leave behind, thus reducing community safety and furthering the spiral of decline.

Creating Places Where Crime Cannot Flourish

Experience from policing, local government and criminological research consistently demonstrates that crime is neither inevitable nor randomly distributed. It concentrates in particular places, under particular conditions and where opportunities are left unmanaged. The principles of effective crime control extend far beyond CCTV or physical security. They encompass the thoughtful design of public spaces, active management of the environment, clear ownership of place, effective guardianship, intelligence-led problem solving and collaborative partnerships across the public and private sectors.

This white paper presents The Legitimate High Street Framework, built upon three interdependent pillars: legitimacy, collective guardianship and accountability.[4] Together, the three pillars of the Framework address the conditions required for successful regeneration and renaissance: protecting legitimate commerce, strengthening local stewardship and ensuring that criminality is met with swift and proportionate consequences. Investment in the public realm, support for local businesses and cultural programming remain essential. However, these ambitions will achieve only limited and short-lived success unless they are accompanied by an equally ambitious commitment to disrupting illicit markets, preventing crime and strengthening collective guardianship and accountability.

A truly successful High Street Renaissance is not measured solely by increased footfall or reduced vacancy rates. It is measured by the confidence of businesses to invest, the willingness of communities to gather, the ability of legitimate enterprise to prosper and the extent to which town centres become places where crime struggles to take root rather than places where it is allowed to thrive.

The recommendations that follow in this report draw upon established criminological theory, evidence from policing and business, and practical experience of reducing retail crime and organised acquisitive offending. Together, they present an evidence-informed framework for creating high streets that are safer, more legitimate, more resilient and better able to support thriving communities and lawful enterprise.

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[3] See, for example, ECR Retail Loss (2024) Fortress Stores: Keeping the Most at Risk Stores Trading. Available at: ecrloss.com/research-paper/keeping-the-most-at-risk-stores-trading

[4] Throughout this report, legitimacy refers to the conditions in which lawful businesses can compete fairly, communities have confidence in place, and organised criminality is unable to distort local economies.

2. The Illicit Economy: How Crime Undermines High Street Renaissance

High street regeneration cannot succeed where illicit markets are allowed to compete alongside legitimate businesses. Nor can it succeed where persistent offending is met with little or no meaningful consequence. When rogue businesses continue to operate with relative impunity, or sanctions are so limited that they simply relocate and reopen elsewhere, a powerful message is sent to those who invest in, employ within and serve their local communities: that legitimate enterprise is at a competitive disadvantage.

Crime does not simply exploit declining high streets – it can kickstart and accelerate their decline. As legitimate commerce withdraws, opportunities emerge for illicit markets and organised criminality to take root. Rogue businesses involved in the sale of illicit tobacco, stolen goods and counterfeit products, alongside those facilitating money laundering, tax evasion, labour exploitation and other forms of criminality, undermine fair competition, erode public confidence and weaken the social and economic fabric of place.

According to the 2025 Crime and Community Survey,[5] **42% of respondents believe crime levels in their neighbourhood have risen in the past year**, and there has been a significant reduction in feelings of safety.[6]

This chapter examines three interconnected manifestations of the illicit economy that are undermining Britain's high streets: illicit tobacco, retail theft and the infiltration of organised crime into apparently legitimate businesses. Whilst each presents distinct challenges, together they illustrate a common problem: the erosion of legitimate commerce by criminal markets. Understanding the scale, nature and interconnectedness of these threats is essential if policymakers, policing, local authorities and place managers are to develop effective strategies that create the conditions for a successful High Street Renaissance.

Illicit Tobacco: Organised Crime and the Erosion of Legitimate Commerce

Illicit tobacco provides one of the clearest examples of how organised crime can undermine the legitimacy of Britain's high streets. Far from being a victimless or minor offence, the illicit tobacco trade distorts fair competition, deprives the public purse of billions of pounds[7] in lost revenue, undermines public health objectives and provides a lucrative source of income for organised criminal groups.

Businesses that lawfully manufacture, distribute and sell tobacco products are required to comply with stringent regulatory obligations, including payment of excise duty and VAT, age verification requirements, product safety legislation and the Tobacco Track and Trace (TT&T) system. Rogue retailers circumvent these obligations entirely.

Every packet of illicit tobacco sold by a rogue retailer **places law-abiding businesses at a competitive disadvantage** whilst reinforcing criminal economies within local communities.

This distortion of competition lies at the heart of the legitimacy challenge facing Britain's high streets. Every illicit sale diverts revenue away from compliant businesses, weakens confidence in lawful enterprise and strengthens criminal markets that operate beyond the reach of regulation and taxation.

The Growing Market for Illicit Tobacco

The UK has developed one of the world's most comprehensive tobacco control strategies. Successive governments have sought to reduce smoking prevalence through taxation, regulation and public health interventions. The Tobacco and Vapes Act 2026 represents a significant milestone in this ambition by introducing the phased "smoke-free generation", making it unlawful to sell tobacco products to anyone born on or after 1 January 2009.

[5] The Crime and Community Survey is conducted by Neighbourhood Watch and has been run annually since 2021. The 2025 report is based on a survey sample of 38,599 responses. It can be accessed at: www.ourwatch.org.uk/sites/default/files/documents/2025-12/Crime%20and%20Community%20Survey%202025.pdf

[6] While a majority (68%) of all respondents reported that they feel safe or very safe, it represents a significant drop from 80% in the 2024 survey.

[7] HM Revenue & Customs estimates that since 2000 more than £54 billion has been lost in tax revenue through the illicit sale of cigarettes and hand-rolling tobacco.

The UK's tobacco taxation and regulatory policies have been introduced to improve public health and have delivered important benefits in reducing smoking prevalence and discouraging uptake. However, they have also increased the attractiveness of tobacco as a criminal commodity. Its high retail value, consistent consumer demand, long shelf life and ease of transportation make it an ideal target for organised criminal groups involved in theft, smuggling, counterfeiting and illicit distribution.

At the time of writing, a 30g pouch of rolling tobacco retails for approximately £24, whilst a packet of 20 cigarettes costs around £13.[8] This is substantially more expensive than in many European countries. For example, a packet of 20 cigarettes can be purchased legally for less than half the UK retail price in countries such as Italy, Portugal and Spain. The price differential is even more pronounced in countries including Poland and Greece, where a packet of cigarettes costs approximately €5 (£4.30) – around one-third of the UK price.

These significant price differentials create powerful economic incentives on both sides of the illicit market. For organised criminal groups, they offer substantial profit margins through the smuggling, theft, counterfeiting and illicit distribution of tobacco products. For some consumers, they create demand for cheaper alternatives, particularly during periods of economic hardship. The result is a highly profitable illicit tobacco market in which criminal organisations are able to exploit the gap between the legal and illegal retail price.

There are multiple ways in which criminals seek to generate money from tobacco products in the UK. These include:

i) **Illegal imports.** Illegally importing or smuggling tobacco products into the country for onward sale;

ii) **Counterfeit products.** Producing and selling counterfeit tobacco products; and

iii) **Theft of tobacco.** Stealing authentic tobacco products from wholesalers, retailers and/or distributors and reselling them on the black market.

The challenge for policymakers is not to weaken tobacco taxation and regulatory policies designed to support public health, but to ensure that crime prevention, enforcement and market regulation evolve in parallel, so that organised criminal enterprises cannot exploit the incentives these policies may inadvertently create. Efforts to combat the illicit tobacco trade are currently constrained by significant intelligence gaps and inconsistent enforcement, as outlined below. Crucially, many of the tools needed to strengthen the response already exist. The challenge is to ensure that they are used consistently, effectively and to their full potential.

Measuring the Illicit Tobacco Market: The Need for Better Strategic Intelligence

Illustrating the scale of the illicit tobacco market, it is estimated that more than 10 billion illicit cigarettes were consumed across the UK in 2025. A 2025 report also identified the UK as Europe's second-largest illicit cigarette market by volume, behind only France.[9] However, it is clear from this review that government has only a partial understanding of the illicit tobacco market and the organised criminality that underpins it. Highlighting this, recent Parliamentary Questions submitted to the Treasury[10] revealed significant gaps in the data currently available to policymakers. For example, it was confirmed that HMRC does not hold figures for the number of cigarettes seized using Tobacco Track and Trace (TT&T) technology, does not routinely record how many inland tobacco seizures take place in retail settings, and cannot readily identify the proportion of seized cigarettes that are counterfeit. Similarly, when the Treasury was asked to compare the monetary value of the legitimate and counterfeit tobacco markets, the response was that the information could only be obtained at a disproportionate cost.

More than 10 billion illicit cigarettes were consumed across the UK in 2025.

[8] For context, the National Living Wage for someone aged 21 or over is £12.71 per hour. See, the National Minimum Wage in 2026. Available at: checkyourpay.campaign.gov.uk/are-you-21-or-over

[9] KPMG (2025) Illicit Cigarette and Heated Tobacco Consumption, and Oral Nicotine Share in Europe, 2025 Results. Available at: www.pmi.com/content/dam/pmicom/global/docs/itp/kpmg-illicit-cigarette-consumption-europe-2025-results.pdf

[10] A series of five questions were submitted to Treasury in June and July 2026 to ask the Chancellor of the Exchequer about issues relating to illicit tobacco seizures, market value and enforcement activity. The questions, submitted by Jim McMahon, Labour (Co-op) MP for Oldham West, Chadderton and Royton, are available here: members.parliament.uk/member/4569/writtenquestions

Taken individually, these responses may reflect operational priorities or limitations in existing recording systems. Collectively, however, they illustrate a wider intelligence gap that enables organised crime to proliferate, directly impacting on the viability of legitimate stores to operate.

Without detailed information about where illicit tobacco is being sold, the characteristics of offending businesses, the prevalence of counterfeit products, or the relationship between seizures and organised crime, it becomes considerably more difficult to understand the scale and nature of the problem or evaluate the effectiveness of interventions.

The lost revenue from illicit tobacco is estimated to be broadly equivalent to the annual cost of employing **95,000 police officers.**

The consequences extend far beyond lost sales for legitimate retailers. Illicit cigarette consumption is estimated to have deprived the Exchequer of £4.46 billion in tax revenue during 2025 alone – money that could otherwise have been invested in public services. To put this into perspective, a recent report on the topic estimates that the lost revenue is broadly equivalent to the annual cost of employing more than 95,000 police officers.[11] Furthermore, illicit tobacco is often just one element of a broader criminal economy involving organised retail theft, money laundering, labour exploitation and other forms of serious organised crime. A recent policy paper, *Stubbing out the Problem*, co-published by the UK Border Force and HM Revenue and Customs, outlines that the proceeds of tobacco crime are used to fund 'the smuggling of weapons, drugs, and even human beings across the globe.'[12]

On a more localised level, police operations repeatedly demonstrate that businesses involved in the sale of smuggled, counterfeit or stolen tobacco are frequently associated with wider criminality. For example, Operation Zoridon[13] focused on disrupting premises handling stolen goods but in doing so uncovered multiple areas of criminality including illegal tobacco, possession of offensive weapons, and modern slavery. This intersection of criminality means that targeting rogue businesses engaged in the sale of illicit tobacco can yield disproportionate benefits for community safety beyond the direct reduction in retail crime. Rather than viewing these businesses as isolated offenders, they should be understood as visible manifestations of broader organised criminal networks operating within local communities; the consequences of which extend well beyond lost tax revenue.

Tobacco Track and Trace: The Underused Tool to Protect Legitimate Businesses

Unlike most fast-moving consumer goods (FMCGs) sold on Britain's high streets, tobacco products possess a sophisticated traceability system. Introduced in 2019, the Tobacco Track and Trace (TT&T) system enables tobacco products manufactured or imported into the UK to be tracked through the legitimate supply chain to the first retailer. Every product carries unique identifiers and security features designed to verify authenticity and monitor lawful distribution.

The system has primarily been developed to support tax compliance and combat illicit trade. HM Revenue & Customs use the system to verify that businesses possess valid Economic Operator Identifier Codes (EOIDs), authenticate tobacco products and identify diversion from legitimate supply chains. National Trading Standards have also expanded their use of TT&T through Operation CeCe.[14] However, the potential of TT&T remains significantly underutilised. For example, currently the system is not routinely used to identify stolen tobacco products, establish lawful ownership following seizures, or generate intelligence supporting investigations into organised acquisitive crime and wider criminal networks. Police officers investigating commercial burglaries, vehicle thefts or organised retail crime generally do not have routine access to information that could identify where seized tobacco originated or whether it forms part of a wider pattern of offending.

Tobacco Track and Trace **presents a powerful and already existing tool** that if used to its full potential could significantly contribute towards bridging the intelligence and enforcement gaps relating to illicit tobacco.

This was outlined in the National Business Crime Centre (NBCC) report, *Lighting Up*,[15] published in 2024. Yet it continues to be severely underused. Illustrating the combined lack of intelligence, enforcement activity and TT&T deployment relating to illicit tobacco, an overview of data from Freedom of Information (FOI) requests obtained by the Co-op is provided on the next page.

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[11] The London Business Journal (2025) 'UK loses £4.5BN in tax revenue as illegal tobacco trade expands'. Available at: londonbusinessjournal.co.uk/2026/06/03/uk-illicit-cigarette-market-2025

[12] HM Revenue & Customs and Border Force (2024) Stubbing out the Problem: A New Strategy to Tackle Illicit Tobacco. Available at: Stubbing out the problem: A new strategy to tackle illicit tobacco

[13] Details of Operation Zoridon can be found on the College of Policing website (www.college.police.uk/support-forces/practices/operation-zoridon-disruption-handling-stolen-goods).

[14] Operation CeCe is a joint initiative between National Trading Standards and HM Revenue and Customs (HMRC). The operation has been working to seize illicit tobacco since January 2021. Its main focus is to tackle the illicit tobacco trade which is defined as 'any tobacco product that is sold in the UK without the payment of excise duty'. The joint agency operation has claimed to have seized more than 27 million illicit cigarettes and 7,500kg of hand-rolling tobacco in its first 2 years. See Gov.uk (2023) 'Stronger powers to combat illicit tobacco come into force', Available at: www.gov.uk/government/news/stronger-powers-to-combat-illicit-tobacco-come-into-force

[15] Lighting Up: How Tobacco Track and Trace Could Help Illuminate Stolen Goods Markets and Other Serious Organised Crimes. Available at: nbcc.police.uk - Lighting Up FINAL 2024

Freedom of Information (FOI) Findings: Illicit Tobacco identification and enforcement activity is highly uneven

A Co-op analysis of responses to Freedom of Information requests from 122 local authorities across England reveals significant variation in the identification and enforcement of illicit tobacco on the high street, alongside widespread underuse of Tobacco Track and Trace (TT&T).

Over a three-year period, councils reported visiting premises in relation to illicit cigarettes an average of just **four times per month**, although activity varied dramatically. The most active 25% of councils accounted for almost 70% of all premises visits, while 18 councils visited fewer than 10 premises over the entire three-year period.

Where visits did take place, they resulted in a seizure approximately 43% of the time, indicating both the availability of illicit tobacco and the ability of Trading Standards officers to identify businesses involved in its sale. Seizure activity was similarly concentrated: just 20 councils accounted for almost 60% of all seizures. On a population-adjusted basis, the most active 25% of councils seized approximately **126 illicit cigarettes per resident**, compared with fewer than **2 per resident** among the least active quarter.

The most significant finding concerns the use of TT&T. Of **8,287 seizures** reported to the Co-op, only **496 (6%)** were referred to HMRC using the TT&T system. More than half (58%) of councils that reported making seizures did not use TT&T at all. Referral activity was also highly concentrated: just two councils accounted for 25% of all referrals, while 15 accounted for 75%.

The findings point to a fragmented enforcement landscape in which the detection of illicit tobacco, the use of available intelligence and the application of sanctions vary substantially between jurisdictions. This creates a risk that enforcement becomes dependent on geography rather than the prevalence of offending, while criminal enterprises may exploit differences in local capability and practice.

Source: Co-op analysis of responses to Freedom of Information requests from 122 local authorities across England, covering the three years prior to the study. Figures are based on information supplied by responding councils and should not be interpreted as a complete measure of the prevalence of illicit tobacco.

Illicit Tobacco and High Street Renaissance

Illicit tobacco illustrates how organised crime can undermine the legitimacy of the high street. It distorts competition by allowing businesses to operate outside taxation and regulatory requirements, diverts spending from lawful retailers and can generate profits that support wider criminal activity. Where illicit trade becomes established, it can provide organised criminal enterprises with a foothold within local economies.

The evidence also highlights significant gaps in the intelligence and enforcement response. Better integration of data held by HMRC, Trading Standards, policing and other enforcement partners would improve understanding of illicit tobacco markets, support targeted intervention and enable government to evaluate the impact of its policies. If organised crime is to be disrupted rather than displaced, intelligence capability must develop alongside enforcement.

The government should therefore establish a more consistent national approach to illicit tobacco enforcement, including adequate Trading Standards resourcing, systematic use of TT&T and routine intelligence sharing to identify repeat operators and prevent criminal enterprises exploiting geographical gaps in enforcement.

Viewed through the lens of *The Legitimate High Street Framework*, tackling illicit tobacco is not simply about recovering lost tax revenue. It contributes directly to each of the Framework's three strategic pillars. It strengthens **Legitimacy** by protecting lawful businesses from unfair competition. It enhances **Collective Guardianship** by supporting action between police, Trading Standards, HM Revenue & Customs, Business Crime Reduction Partnerships and local authorities. Finally, it reinforces **Accountability** by ensuring that rogue retailers and organised criminal groups face swift, proportionate and meaningful consequences for their offending.

The Shop Theft Epidemic

Between April 2024 and March 2025, police in England and Wales recorded 530,643 shop theft offences – an increase of 19.5% on the previous year and 55% higher than in 2022/23.[16]

According to the Office for National Statistics (ONS), shop theft has risen sharply since the COVID-19 pandemic and now stands **at its highest recorded level since 2002/03**.

The increasing volume of offences, together with growing levels of violence and abuse directed towards retail workers, has led many retailers to describe the situation as unsustainable. Some senior industry representatives have characterised retail crime as being "out of control".[17] Yet even these record figures are widely regarded as a significant underestimation of the true scale of offending. Some estimates suggest that as few as 3% of shop theft incidents are reported to the police. If accurate, this would imply that the true volume of shop theft alone could exceed 20 million incidents annually.[18]

Reasons for Chronic Under-reporting

There are many reasons why retailers choose not to report offences to the police. These include cumbersome reporting processes, a belief that no meaningful action will follow, insufficient evidence to support an investigation, concerns about insurance implications, low confidence in policing, fear of reprisals from offenders, and a perception that individual incidents are too minor to justify the time required to report them.[19]

The consequences extend far beyond incomplete crime statistics. Chronic under-reporting creates a self-reinforcing cycle in which offenders avoid detection, become emboldened, and continue offending with little fear of consequence. At the same time, police intelligence, local strategic assessments and Police and Crime Plans fail to reflect the true scale and concentration of offending, making it more difficult to allocate resources effectively or demonstrate the full impact of retail crime on communities.

The current alcohol licensing framework may also create an unintended disincentive to report crime. Premises associated with high volumes of recorded incidents can face increased regulatory scrutiny and, potentially, a licence review, even where those incidents bear little or no relation to alcohol sales. This creates a perverse incentive whereby some retailers perceive that reporting shop theft, anti-social behaviour or violence may expose them to greater regulatory risk.

Retailers argue that the emphasis should instead be placed on tackling offender behaviour rather than penalising businesses that are themselves victims of crime. The Association of Convenience Stores (ACS) has proposed amending the Section 182 Guidance to make clear that incidents in which a business is the victim of crime – including shop theft, violence and abuse – should not count against licensed premises when licensing authorities consider a review.[20]

Consequences and Outcomes for Shop Theft

Police outcome data further illustrates the challenge. More than half of recorded shoplifting offences were closed in the year ending March 2026 due to no suspect having been identified (52.7%, a level slightly lower than the year ending March 2025, at 55.3%).[21]

The implications are significant. A lack of visible consequences undermines retailer confidence, reduces willingness to report future incidents and reinforces offender perceptions that shop theft carries little risk. In concert with recent research that highlights that, as a nation, Britain has become more tolerant of 'low level' economic crime such as shop theft and handling stolen goods, there is a clear need to ensure that all offenders perceive a high likelihood of detection and consequence.[22]

Legislation introduced in the Crime and Policing Act repealed the £200 threshold for "low level" shop theft, removing the ability to issue a PND. While this legislative update is largely welcomed by the industry, there is a concern that without robust sanctions in its place, even fewer offenders than before will face any consequence for their actions. This further discourages victims from reporting incidents, as they see no benefit in doing so.

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[16] ONS (2025) Crime in England and Wales: Year ending March 2025. Available at: www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingmarch2025

[17] Co-op Food managing director, Matt Hood, cited in The Independent, 27 July 2023. Available at: www.independent.co.uk/news/uk/crime/co-op-looting-shoplifting-crime-b2382264

[18] Taylor, E., Taylor, J., and Unsworth, J. (2024) 'The Politics and Pitfalls of Policing High-Volume Crime: Responding to the Shoplifting Epidemic', The Political Quarterly. Vol 95: 3. Available at: onlinelibrary.wiley.com/doi/full/10.1111/1467-923X.13432

[19] Taylor, E. (2024) Stealing with Impunity: The Policing of Prolific Local Offenders and the Impact on Our Shops and Communities. Available at: assets.ctfassets.net/5ywmq66472jr/3Re0b6dWQGHGCd1KW5iMDo/00caf6bc62f8b4062aa92663cd5b11b4/20240206_-_STEALING_WITH_IMPUNITY.pdf

[20] UK parliament (2021) Written evidence submitted by the Association of Convenience Stores (ACS). Available at: committees.parliament.uk/writtenevidence/21469

[21] Home Office (2026) Crime outcomes in England and Wales 2025 to 2026. Available at: www.gov.uk/government/statistics/crime-outcomes-in-england-and-wales-2025-to-2026/crime-outcomes-in-england-and-wales-2025-to-2026

[22] Shepherd, D., Button, M., and Hawkins, (2024) 'The dishonest disposition and everyday economic criminality of the British public', Journal of Economic Criminality. Vol 5. Available at: www.sciencedirect.com/science/article/pii/S2949791424000423

Retailers frequently argue that they know who the prolific offenders are, while police often cite insufficient evidence to support enforcement. Bridging this gap – through improved evidence sharing, technology and partnership working – is essential if repeat offending is to be reduced.

Crime-Facilitating Businesses and Illicit Disposal Markets

Every item stolen from a retailer or business must ultimately enter a disposal market. Recent research, *Stolen Goods: Mapping Illicit Markets and Identifying Opportunities for Disruption*,[23] found that the most consistently identified disposal routes immediately following theft are physical marketplaces, including independent retail shops, market stalls, pubs and car boot sales.

These markets share several characteristics that make them attractive to offenders: face-to-face transactions, immediate cash payments and minimal oversight or record-keeping. Unlike online marketplaces, which often leave a digital trail, physical disposal routes offer anonymity, speed and convenience, enabling offenders to convert stolen goods into cash within minutes.

Interviews with offenders revealed that these disposal networks are rarely opportunistic. Many described having established buyers before committing the theft itself. Rather than stealing first and searching for a buyer afterwards, offenders frequently knew exactly who would buy particular products, how much they would receive, and how quickly the transaction could be completed.

Independent retailers – including some convenience stores and vape shops – were frequently identified as receivers of stolen food, alcohol, tobacco and household goods.[24] In some cases, offenders described retailers providing "shopping lists" specifying the products they wished to purchase. These requests, communicated verbally or by text message, commonly included alcohol, tobacco, coffee, energy drinks, chocolate, toiletries, laundry products and health and beauty items – all categories characterised by strong consumer demand, rapid stock turnover and limited traceability.

[23] National Business Crime Centre (2026) Stolen Goods: Mapping Illicit Markets and Identifying Opportunities for Disruption.

[24] The Retail Crime Uncovered podcast episode, 'Smoke and Mirrors', provides stories direct from shopworkers about the onward sale of goods stolen from their stores. Available here: open.spotify.com/episode/6kZwhYawDwAGDN2ZKassJW?si=OItyfRa2ShCCOKdl7rJq8A

Case Study: How Stolen Shopping Baskets Exposed a Suspected Crime-Facilitating Business

For more than a year, a branch of a major grocery retailer experienced persistent and organised theft by a small group of prolific offenders. Several times each week, individuals would enter the store and steal products in bulk, often using the retailer's own branded shopping baskets to transport the goods. Frequently targeted items included wine, laundry products, coffee, chocolate and energy drinks.

The persistent crime had a significant impact on staff. Colleagues were routinely subjected to abuse, intimidation and threats, with offenders warning staff, "I'll be back" after being challenged. The pattern of offending became so familiar that employees came to recognise the individuals involved and were familiar with the product ranges that they repeatedly targeted.

A breakthrough came when staff and customers began noticing the retailer's branded shopping baskets in use at a nearby independent convenience store located less than a quarter of a mile away. The baskets were being openly used by customers despite there being no legitimate reason for them to be on the premises. The discovery raised suspicions that the store may be linked to the disposal of stolen goods.

Intelligence shared with police suggested the retailer was already known locally as a potential buyer of stolen property. In response, the grocery retailer worked with police and Trading Standards to develop a coordinated enforcement operation designed to establish whether stolen goods from the store were entering the premises.

Using internal crime data, the retailer identified the products most frequently targeted by offenders and applied a forensic marking solution to selected stock. Following a short operational pause to allow marked products to circulate through the local market, police and Trading Standards executed a search warrant at the target premises.

The results were significant. Officers recovered a substantial quantity of stock from back-of-house storage areas, including products carrying forensic markings linking them directly to the victim retailer. Investigators also identified own-brand products originating from several other national retailers, suggesting that the premises may have been acting as a disposal point for stolen goods from multiple sources.

In total, approximately £3,100 worth of suspected stolen stock was seized.

The operation highlights both the opportunities and challenges associated with tackling stolen goods markets. It demonstrates the value of retailer intelligence, product traceability and multi-agency working in identifying potential disposal routes. At the same time, it serves as a reminder that recovering stolen goods is only one part of the process.

Despite the seizure, the business remained open at the time of writing and investigations were ongoing.

The significance of these disposal routes lies not only in the volume of stolen goods they absorb but also in the degree to which they become embedded within local criminal economies. As one offender succinctly observed in the recent *Stolen Goods* report, "Everybody knew where to take stuff." Such accounts suggest that, in some communities, illicit disposal markets have become normalised, providing reliable outlets for stolen property and sustaining repeat acquisitive crime.

The challenge posed by shop theft extends far beyond the immediate loss of stock. It exposes weaknesses throughout the crime control system: widespread under-reporting obscures the true scale of offending, limited consequences embolden repeat offenders, and well-established disposal networks provide ready markets for stolen goods. The result is an illicit economy that is able to flourish alongside legitimate commerce. If High Street Renaissance is to succeed, reducing shop theft cannot be viewed simply as a policing objective. It is fundamental to restoring legitimacy, rebuilding public confidence, protecting honest businesses and creating town centres in which lawful enterprise can prosper.

Rogue Retailers: Organised Crime on the High Street

Perhaps the most visible manifestation of the illicit economy is the emergence of sham businesses that, in reality, operate wholly or partly in support of organised criminality. Trading under the guise of convenience stores, mobile phone retailers, vape shops, discount retailers, barbers or other cash-intensive businesses, some premises have been identified through law enforcement activity as facilitating offences including the sale of illicit tobacco and counterfeit goods, handling stolen property, money laundering, tax evasion and labour exploitation.

It is important to recognise that these businesses do not define entire sectors. The overwhelming majority of retailers operate lawfully and make an invaluable contribution to local communities. However, organised criminal groups have repeatedly demonstrated their willingness to exploit legitimate business models to conceal illicit activity, launder criminal proceeds and establish a permanent presence within town centres.

These businesses rarely operate in isolation. Rather, they often form part of wider criminal ecosystems that encompass organised retail theft, the distribution of stolen and counterfeit goods, illicit tobacco and vaping products, drug supply, immigration offending, labour exploitation and financial crime. Their value to organised crime lies not simply in the profits they generate, but in the legitimacy they appear to confer. A trading premises provides visibility, access to customers, opportunities to move illicit goods and cash, and a convenient mechanism through which criminal proceeds can be integrated into the legitimate economy.

Recent enforcement operations have exposed the scale of this challenge. Investigations such as the Metropolitan Police Service's Operation Zoridon and the National Crime Agency's Operation Machinize have identified organised crime groups using seemingly legitimate retail premises to facilitate a range of serious criminal offences. These operations reinforce a broader point: organised crime increasingly seeks not simply to operate alongside the high street, but to become embedded within it. Yet none of these operations will achieve lasting change unless enforcement is sustained and accompanied by stronger local partnerships, intelligence sharing and regulatory action.

Enforcement in Action: Police Operations Zoridon and Machinize

Operation Zoridon[25], a Metropolitan Police-led initiative targeting approximately 120 premises suspected of handling stolen goods coordinated enforcement activity across multiple locations, bringing together police, Trading Standards and the London Fire Brigade. Similarly, Operation Machinize 2[26], led by the National Crime Agency (NCA) and conducted in cooperation with the National Police Chiefs' Council (NPCC), ran throughout October 2025 and involved every UK police force and Regional Organised Crime Unit, Home Office Immigration Enforcement, Trading Standards, HM Revenue & Customs and Companies House. Across the two intensification periods, the multi-partner activity saw:

- 959 individuals arrested
- Seized or frozen cash, high value goods, and bank accounts totalling more than £10.7m
- More than £2.7m of illegal commodities destroyed
- 97 individuals safeguarded in relation to modern slavery concerns

The NCA noted that Operation Machinize is "the largest operation of its kind focused on rooting out the economic crime and grey economy that makes our high streets less safe and prosperous."

[25] Details of Operation Zoridon can be found on the College of Policing website (www.college.police.uk/support-forces/practices/operation-zoridon-disruption-handling-stolen-goods).

[26] National Crime Agency (NCA) (2025) 'Operation Machinize 2: Thousands of businesses targeted in coordinated crackdown on high street crime', Available at: www.nationalcrimeagency.gov.uk/news/operation-machinize-2-thousands-of-businesses-targeted-in-coordinated-crackdown-on-high-street-crime

Closure Notices

Closure powers provide one of the most effective mechanisms for disrupting rogue businesses operating from high street premises. Under the Anti-social Behaviour, Crime and Policing Act 2014, police and local authorities can temporarily close premises associated with persistent nuisance, disorder or criminal activity, including the sale of illicit tobacco and vapes. The process operates in two stages:

Closure Notice – A police officer of at least the rank of Inspector, or a local authority, may issue a Closure Notice prohibiting access to the premises for up to 48 hours where there are reasonable grounds to believe that the premises are associated with nuisance, disorder or criminal behaviour and that closure is necessary to prevent further harm.

Closure Order – Within that 48-hour period, an application must be made to the Magistrates' Court. If satisfied that the statutory test is met, the court may issue a Closure Order prohibiting access to the premises for an initial period of up to three months.

Closure Orders may currently be extended to a maximum of six months. The Government has announced plans to increase the maximum duration to 12 months, recognising that longer closure periods can provide enforcement agencies with greater opportunity to investigate offending, pursue prosecutions and prevent criminal enterprises from quickly re-establishing themselves elsewhere.

These reforms are welcome. However, this report argues that the effectiveness of closure powers depends not only on their duration but also on how consistently and swiftly they are used. As illustrated by the case study presented earlier, rogue businesses linked to illicit tobacco, stolen goods and organised criminality are often able to continue trading for prolonged periods before enforcement action is taken. Even where Closure Orders are secured, criminal operators may simply relocate to neighbouring local authority areas and reopen under a different name if intelligence is not routinely shared across force and administrative boundaries.

Strengthening the use of closure powers should therefore be accompanied by improved cross-border intelligence sharing, coordinated enforcement and a proactive strategy for identifying repeat rogue operators. The objective should not simply be to close individual premises, but as part of a coordinated strategy to disrupt organised criminal business models.

Changing the Composition of the High Street

The decline of Britain's high streets is often measured by vacancy rates. While this remains an important indicator of economic change, it tells only part of the story. The more significant question is not simply how many shops have disappeared, but what has replaced them.

As legitimate retailers withdraw, long-term vacant premises can create opportunities for organised criminal groups to establish a physical presence within local retail economies. The result is not merely a changing retail mix but, in some locations, the emergence of a parallel economy in which illicit enterprises compete directly with legitimate commerce. By avoiding taxation, business rates, employment obligations and wider regulatory requirements, these businesses are able to undercut compliant retailers whilst providing outlets for illicit tobacco, stolen goods, counterfeit products and other criminal markets.

The consequences extend far beyond unfair competition. Rogue retailers alter the character of place. They weaken confidence amongst investors, deter legitimate businesses, reduce public trust and create visible signs that criminality is becoming embedded within the local economy. In doing so, they undermine one of the defining characteristics of a successful high street: its legitimacy.

High street regeneration must therefore look beyond vacancy rates and physical renewal alone

A shopfront occupied by a criminal enterprise is not evidence of regeneration; **it is evidence of criminal infiltration**.

Successful regeneration requires not only bringing premises back into use but ensuring they are occupied by lawful businesses that contribute positively to the economic and social life of the community.

The examples presented throughout this chapter are not isolated crime problems requiring separate policy responses. They are interconnected manifestations of a broader illicit economy that weakens legitimate commerce, distorts local markets and erodes confidence in place.

High Street Renaissance therefore demands more than investment in buildings or public spaces; it requires a determined commitment to protecting lawful enterprise, disrupting organised criminality and restoring the legitimacy of Britain's town centres. The following chapter presents *The Legitimate High Street Framework* as a practical, evidence-informed approach to achieving that ambition.

3. Beyond Regeneration: How Tackling Crime is the Foundation of High Street Renaissance

The preceding chapters have demonstrated that crime is not simply a consequence of high street decline; it is one of its principal drivers. Illicit tobacco, organised retail theft, stolen goods markets and the infiltration of organised crime into apparently legitimate businesses all weaken legitimate commerce, distort local markets and erode confidence in place. Left unchecked, these illicit economies create an uneven playing field in which lawful businesses are placed at a competitive disadvantage, investment is discouraged and communities lose confidence in the institutions responsible for protecting them.

Much of the debate surrounding high street renewal has rightly focused on investment, planning, transport, culture and the diversification of town centres. These remain essential components of regeneration. However, this report has argued that they are insufficient on their own. Regeneration cannot succeed where organised criminality is permitted to become embedded within the local economy, where legitimate businesses are unable to compete fairly, or where crime and anti-social behaviour continue without meaningful consequence.

The challenge, therefore, is not simply to regenerate Britain's high streets, but to protect their legitimacy.

Intelligence and Enforcement Silos

One of the clearest findings from this review is that the challenge facing enforcement agencies is not an absence of intelligence about illicit activity on the high street, but the difficulty of aggregating, sharing and acting upon that intelligence effectively. Retailers, Business Crime Reduction Partnerships (BCRPs), Business Improvement Districts (BIDs), Trading Standards, online platforms and law enforcement agencies each hold pieces of the intelligence picture. However, these insights are often fragmented across organisations, geographical boundaries and systems, limiting their operational value. Furthermore, the responsibility for responding has become fragmented in a landscape where resources are limited.

Multi-agency enforcement, when applied in a coordinated way, delivers meaningful results but remains the exception rather than the rule. Operations such as Zoridon and Machinize demonstrate the value of bringing police, Trading Standards, and retail intelligence together in structured, intelligence-led interventions; no doubt the benefits from those drives will diffuse beyond those stores directly targeted to deter others from some illicit behaviours. Yet, these operations are limited by resource pressures, leadership variability, and structural gaps in coordination that prevent them from becoming business-as-usual policing. The recently announced High Street Illegality Taskforce and High Street Organised Crime Unit represents a significant opportunity in this regard, bringing together Trading Standards, the National Crime Agency, HMRC and other partners to target rogue businesses and criminal enterprises operating on UK high streets.

This white paper presents **The Legitimate High Street Framework** as a criminology-informed approach to achieving that ambition. Rather than beginning with physical regeneration, the Framework begins with the conditions that enable regeneration to succeed. It presents three simple questions that every policymaker, local authority, police force, Business Improvement District, Business Crime Reduction Partnership and retailer should ask of their high street.

Pillar 1: Legitimacy – "Who belongs here?"

Are lawful businesses able to compete on a level playing field, or are illicit markets and organised criminal enterprises distorting the local economy? This pillar focuses on protecting legitimate commerce by preventing, disrupting and displacing illicit trade, ensuring that lawful enterprise – not criminal enterprise – defines the character of the high street.

Pillar 2: Collective Guardianship – "Who is responsible?"

Safe and resilient high streets cannot be delivered by policing alone. Responsibility is shared between retailers, local authorities, policing, Trading Standards, Business Improvement Districts, Business Crime Reduction Partnerships, community organisations and local people. This pillar focuses on strengthening collective guardianship through partnership, intelligence-sharing and active stewardship of place.

Pillar 3: Accountability – "What happens when the rules are broken?"

Regeneration depends upon confidence that crime will be addressed fairly, proportionately and consistently. Where offending carries little consequence, organised criminality becomes embedded and public confidence declines. This pillar focuses on ensuring that offenders, rogue businesses and organised criminal enterprises face swift, certain and proportionate consequences that protect legitimate commerce and reinforce public trust.

Together, these three questions provide a practical framework for protecting lawful enterprise, protecting place, and making those who break the rules accountable for their actions. The framework operates across these three levels:

- **Legitimacy** protects the **market**.
- **Collective Guardianship** protects the **place**.
- **Accountability** upholds the **rules**.

It is only by disrupting organised crime that government can succeed in creating the conditions in which regeneration can be successful.

The recommendations that follow are organised under each pillar, demonstrating how national policy, local partnerships and operational practice can work together to restore legitimacy, strengthen community confidence and create high streets where crime struggles to take root.

Recommendations:

Pillar	Protecting	Key question
Legitimacy	The Market	*Who belongs here?*
Collective Guardianship	The Place	*Who is responsible?*
Accountability	The Rules	*What happens when the rules are broken?*

The Legitimate High Street Framework

Below recommendations are organised by the three pillars of the Framework; legitimacy, collective guardianship and accountability. The overarching recommendation from this white paper is to:

Adopt The Legitimate High Street Framework as the crime prevention component of the Government's High Streets Strategy.

Pillar One: Legitimacy – Who Belongs Here? (protecting the market)	
1a	**Accelerate the Closure of Rogue Businesses and Strengthen Cross-Border Enforcement** **Rationale:** Organised criminal groups frequently exploit apparently legitimate retail premises to facilitate the sale of illicit tobacco, counterfeit goods and stolen property, launder criminal proceeds and commit wider economic crime. Closure powers already exist, but they are often slow to implement, applied inconsistently and limited in duration. In some cases, rogue operators simply relocate to neighbouring local authority areas and resume trading. **Government should:** Strengthen the use of Closure Notices and Closure Orders by enabling faster intervention, extending the duration of closures where appropriate, and improving intelligence sharing between police forces, Trading Standards, local authorities and other enforcement agencies to prevent displaced criminal enterprises from simply reopening elsewhere. **Expected impact:** Reduce the ability of organised criminal groups to establish a sustained presence on the high street and better protect legitimate businesses from unfair competition.
1b	**Strengthen Trading Standards' Capacity to Protect Legitimate Commerce** **Rationale:** Trading Standards services play a critical role in identifying rogue businesses, disrupting illicit markets and enforcing regulatory standards. However, significant reductions in funding and capacity have limited their ability to respond proactively to intelligence relating to organised criminality. **Government should:** Prioritise investment in Trading Standards and strengthen joint working with policing, HM Revenue & Customs, Border Force, the National Crime Agency and Business Crime Reduction Partnerships and Business Improvement Districts to support intelligence-led enforcement against rogue businesses and illicit markets. Enforcement activity should be driven by shared intelligence rather than organisational boundaries, recognising that rogue retailers are often involved in multiple forms of criminality spanning taxation, labour exploitation, counterfeit goods, illicit tobacco and organised acquisitive crime. **Expected impact:** Earlier identification of organised criminal activity, stronger disruption of illicit markets and greater protection for compliant businesses.
1c	**Amend legislation to extend access to Tobacco Track and Trace (TT&T).** **Rationale:** Current legislation unnecessarily restricts access to Tobacco Track and Trace data to HMRC despite its wider value in investigating organised crime, handling stolen goods and illicit markets. **Government should:** Review the legislative framework to enable appropriately governed access for policing and other enforcement agencies, maximising the intelligence value of an existing national system. **Expected impact:** Increase enforcement activity through enhanced visibility of illegal activity involving tobacco products. Extending access to TT&T will streamline investigations and increase the speed with which illicit activity can be identified and acted on.
1d	**Enhance Tobacco Track and Trace (TT&T) functionality.** **Rationale:** The 'green tick' signifying that the levy has been paid and the product has been bought by a retailer could be misleading when tobacco has been stolen rather than smuggled or counterfeit. **Government should:** Explore the potential to incorporate functionality in the app to alert those using it to check that the journey of the tobacco aligns with its current location. **Expected impact:** It is expected that more cases of stolen tobacco products will be identified – and link them to the theft incident – rather than mostly focusing on smuggled or counterfeit tobacco products.

Pillar One: Legitimacy – Who Belongs Here? (protecting the market)	
1e	**Protect Victim Businesses Within the Licensing System** **Rationale:** Businesses experiencing persistent shop theft, violence or anti-social behaviour can face increased regulatory scrutiny because recorded incidents contribute to perceptions that licensed premises are poorly managed, even where they are themselves victims of crime. This creates a perverse incentive for businesses to under-report offending and risks penalising those that engage positively with policing. **Government should:** Amend the Section 182 Guidance issued under the Licensing Act 2003 to make clear that incidents in which a business is the victim of crime – including shop theft, violence against staff and anti-social behaviour – should not, in themselves, count against licensed premises when licensing authorities consider licence reviews or regulatory action. Licensing decisions should distinguish clearly between businesses that facilitate crime and those that are actively experiencing and reporting it. **Expected impact:** Encourage greater reporting of retail crime, improve intelligence available to policing and ensure that responsible businesses are not disadvantaged for cooperating with law enforcement.
1f	**Launch a National Behaviour Change Campaign** **Rationale:** The illicit economy depends not only on organised criminal networks but also on a degree of consumer demand and retailer participation. While some businesses knowingly purchase illicit tobacco or stolen goods, others may underestimate the traceability of tobacco products or the legal consequences of handling stolen property. Likewise, members of the public may view the purchase of cheap tobacco, counterfeit products or "under the counter" goods as victimless offences, without recognising the harm caused to legitimate businesses, retail workers and local communities. **Government, policing and industry should:** Develop a coordinated national awareness and behaviour change campaign aimed at both retailers and consumers to reduce demand for illicit goods and strengthen compliance with existing legislation.[27] No longer should individuals and businesses hide behind excuses of not knowing the rules and laws, or the impact that the illicit economy has on the legitimate high street. A national campaign should therefore have two complementary objectives: - **Supporting retailer compliance** by raising awareness of Tobacco Track and Trace, reinforcing the legal obligations associated with purchasing tobacco products, and highlighting the significant penalties for handling stolen goods under the Theft Act 1968 and offences relating to illicit tobacco under the Finance Act 2022. - **Reducing consumer demand** by communicating the wider consequences of purchasing illicit tobacco, counterfeit and stolen goods, including their links to organised crime, labour exploitation, tax evasion and the erosion of legitimate high street businesses. Campaigns should challenge the perception that these offences are victimless and instead promote a stronger moral narrative around supporting lawful businesses and protecting local communities. **Expected outcome:** Reduce offending, remove the excuses drawn upon to minimise engagement with illicit trade, and improve compliance with the rules relating to licensed products.

[27] The 'We Don't Buy Crime' initiative and Northern Ireland Department of Justice's consumer awareness campaign called 'End the Harm' offer examples of how this could be approached and communicated.

Pillar Two: Collective Guardianship – Who is responsible? (protecting the place)	
2a	**Establish High Street Legitimacy Partnerships** **Rationale:** Complement Community Safety Partnerships and other entities by focusing specifically on legitimate commerce and high street resilience and providing a dedicated platform to remove intelligence blockages, prevent duplication and ensure clear ownership of issues. **Government should:** Support the establishment of High Street Legitimacy Partnerships to provide a permanent forum through which policing, local authorities, Trading Standards, Business Improvement Districts (BIDs), Business Crime Reduction Partnerships (BCRPs), transport providers, community organisations and retailers can jointly identify risks, share intelligence, coordinate prevention activity and evaluate outcomes. **Expected impact:** Encourage greater intelligence sharing between organisations and develop plans of action to disrupt criminality before it escalates.
2b	**Undertake an Annual Legitimate High Street Audit** **Rationale:** Most regeneration metrics focus on measuring footfall and vacancy rates, but indicators of legitimacy, organised criminality, collective guardianship and accountability would enhance them by providing a measurable insight on the resilience of the high street. **Local authorities should:** Undertake an annual audit, working with policing, Business Improvement Districts, Business Crime Reduction Partnerships, Trading Standards and local businesses to assess the resilience of their town centres against the illicit economy. The audit should assess: • **Who belongs here?** (Legitimacy) • **Who protects it?** (Collective Guardianship) • **What happens when rules are broken?** (Accountability) **Expected impact:** Provide a consistent evidence base for identifying emerging threats, targeting resources and evaluating the effectiveness of interventions designed to protect legitimate commerce.
2c	**Embed Visible Guardianship in High Street Renaissance.** **Rationale:** Safety is produced through active stewardship of place. Research consistently demonstrates that visible guardianship reduces opportunities for offending more effectively than enforcement alone. **Local Authorities should:** Apply the principles of Crime Prevention Through Environmental Design (CPTED) to maximise natural surveillance, activity and territorial reinforcement. Capable place-based guardians provide visible reassurance. These include Special Constables (volunteer police officers), High Street wardens, PCSOs, volunteer community ambassadors. **Expected impact:** Effective place managers provide natural surveillance and capable guardianship increasing the likelihood that illicit behaviour will be noticed and acted upon in a timely fashion. Empowering volunteer community members to provide guardianship can be a cost-effective mechanism that improves confidence and feelings of safety on the high street.
2d	**Embed Intelligence-Led Multi-Agency Enforcement** **Rationale:** Visible, intelligence-led enforcement operations, such as Zoridon and Machinize, not only drive significant enforcement activity, but they are likely to generate deterrent effects beyond the premises directly targeted by reinforcing perceptions that organised criminality will be identified and disrupted. **Law enforcement should:** Embed intelligence-led enforcement operations into business as usual practice. The recently announced High Street Illegality Taskforce and High Street Organised Crime Unit represents a significant opportunity in this regard, bringing together Trading Standards, the National Crime Agency, HMRC and other partners to target rogue businesses and criminal enterprises operating on UK high streets. **Expected impact:** Signal to organised crime groups and opportunists that illicit activity will be noticed and acted upon across multiple agencies. Potential deterrent effects could be significant as multiagency operations become more commonplace.

Pillar Three: Accountability – What happens when the rules are broken? (upholding the rules)	
3a	**Strengthen Sanctions Against Rogue Businesses** **Rationale:** Rogue businesses involved in organised criminality should not be permitted to operate with relative impunity or simply relocate and reopen elsewhere following enforcement action. **Government should:** Review the civil, licensing and closure powers available to police and local authorities to ensure that rogue businesses linked to organised crime can be disrupted swiftly and prevented from re-establishing themselves elsewhere. Consideration should also be given to strengthening powers to prohibit repeat offenders from operating retail premises associated with serious organised criminality and to improve intelligence sharing between enforcement agencies to prevent displacement across local authority and police force boundaries. **Expected outcome:** A more consistent and coordinated approach to disrupting organised criminal enterprises, reducing the ability of rogue businesses to exploit enforcement gaps and strengthening protection for legitimate retailers.
3b	**Increase the Certainty of Enforcement Through Coordinated Action** **Rationale:** Organised criminal groups routinely exploit the boundaries between agencies, taking advantage of fragmented enforcement responsibilities. Tackling organised crime therefore requires coordinated use of criminal, civil, regulatory and financial powers rather than relying on a single enforcement response. **Government should:** Promote intelligence-led, multi-agency enforcement as the default response to organised crime affecting the high street. Police, Trading Standards, HM Revenue & Customs, Border Force, the National Crime Agency, local authorities and other relevant agencies should routinely coordinate operations, share intelligence and combine their respective powers to disrupt criminal business models rather than responding solely to individual offences. Where appropriate, enforcement should combine prosecution with licensing action, financial investigation, tax enforcement, Closure Orders and other regulatory interventions to maximise the disruption of organised criminal business models. **Expected outcome:** Greater certainty of detection and disruption for organised criminal enterprises, improved coordination between enforcement agencies and more effective protection of legitimate commerce.
3c	**Expand Restorative Justice-Informed Out of Court Resolutions** **Rationale:** Low-level offending that attracts little or no consequence can cumulatively cause significant harm to businesses, communities and confidence in place. Research consistently demonstrates that the certainty and immediacy of a proportionate response often has a greater preventive effect than the severity of punishment alone. **Government should:** Expand the use of restorative justice-informed Out of Court Resolutions and Conditional Cautions for offences such as shop theft, criminal damage, graffiti and anti-social behaviour. These interventions should combine swift accountability with education and visible reparation, challenging perceptions that these offences are victimless whilst reducing the likelihood of repeat offending. Responses should include: • **Virtual educational interventions**, delivered at scale, explaining the impact of retail crime, criminal damage and anti-social behaviour on retailers, shop workers and local communities.[28] • **Community reparation activities**, including litter picking, graffiti removal, environmental improvements and the repair of public spaces, enabling offenders to make visible amends whilst developing practical skills and strengthening community connections. **Expected outcome:** Earlier intervention with lower-level offending via educational interventions and restorative justice principles offer a valuable way to intervene swiftly and with certainty when low-level offending occurs. It is expected that this certainty of consequence will reduce offending as well as improve community confidence and victim satisfaction.

[28] RestorativU have developed a range of RJ-informed, and practitioner led virtual educational courses under the banner Community Awareness Programmes (CAP). The course, akin to a 'speed awareness' course challenges misconceptions and holds perpetrators accountable for their actions. More information can be found at: restorativu.com

Taken together, these recommendations represent more than a series of crime prevention measures. They provide a practical framework for protecting legitimate commerce, strengthening collective guardianship and ensuring meaningful accountability across Britain's high streets.

Their purpose is not simply to reduce crime, but to create the conditions in which regeneration can succeed. High Street Renaissance begins not with buildings or investment alone, but with the protection of legitimacy itself.

4. Conclusion

Britain's high streets have always been more than places of commerce. They are civic spaces where economic activity, public life and community identity converge. Their future will undoubtedly depend upon continued investment, thoughtful planning and the diversification of town centres. However, as this white paper has argued, these ambitions cannot be realised unless equal attention is given to protecting the legitimacy of place.

The evidence presented throughout this report demonstrates that crime is not simply a consequence of high street decline; it has become one of its principal drivers. Illicit tobacco, organised retail theft, stolen goods markets and the infiltration of organised crime into apparently legitimate businesses do more than generate victims. Together they distort local economies, undermine legitimate commerce, erode public confidence and weaken the conditions upon which successful regeneration depends.

A successful high street is therefore characterised not simply by economic activity, but by legitimate activity. Lawful businesses create employment, contribute tax, comply with regulatory standards and provide trusted goods and services to their communities.

Equally important are the legitimate users of public space – residents, workers, visitors and community organisations – whose everyday presence strengthens natural surveillance, reinforces informal social control and contributes to the collective guardianship of place.

Conversely, where legitimate commerce retreats and organised criminality becomes embedded, confidence declines. Vacant premises, illicit markets, rogue retailers and visible disorder signal that the rules no longer apply equally to everyone. Criminal enterprises do not simply occupy physical space; they reshape local economies, distort competition and erode trust in the institutions responsible for protecting lawful enterprise. High street regeneration cannot succeed if illicit economies are allowed to flourish alongside legitimate businesses.

The challenge, therefore, is not simply to regenerate Britain's high streets, but to protect their legitimacy. This white paper has presented **The Legitimate High Street Framework** as a practical, criminology-informed approach to achieving that ambition.

The three pillars – **Legitimacy**, **Collective Guardianship** and **Accountability** – provide a coherent framework for protecting lawful enterprise, disrupting organised crime and restoring confidence in place. Together they recognise that crime prevention is not solely a policing responsibility, but a shared endeavour requiring coordinated action by government, local authorities, policing, Business Improvement Districts, Business Crime Reduction Partnerships, businesses and communities.

The recommendations contained within this report are deliberately practical. Some require legislative reform, others stronger partnerships, improved intelligence sharing, greater use of existing technologies and more consistent consequences for offending. Collectively, however, they share a common purpose: ensuring that legitimate businesses are able to compete fairly, communities feel confident in their town centres, and organised criminal enterprises are denied the opportunity to establish themselves within local economies.

If Britain is serious about delivering a genuine High Street Renaissance, then crime can no longer be treated as a secondary consideration or simply the responsibility of policing. High Street Renaissance will not be achieved through regeneration alone. It requires protecting the legitimacy of place. The recommendations presented within this Framework recognise that crime prevention, collective guardianship and accountability are not peripheral considerations but essential conditions for successful regeneration. By disrupting illicit markets, supporting lawful enterprise and restoring confidence in local communities, they provide a practical roadmap for creating high streets where legitimate commerce can flourish and organised crime cannot.

APTUS
Business Crime Research Centre

About Aptus Business Crime Research Centre

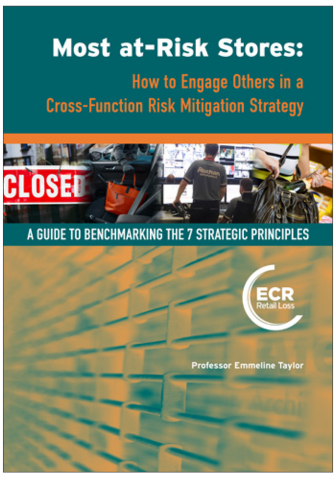
Aptus Business Crime Research Centre is a leading authority on business crime, security, and community safety. Combining academic rigour with practical and actionable insight, Aptus is a trusted voice at the highest levels helping businesses, law enforcement, government agencies, and international trade bodies shape policy and drive meaningful change.

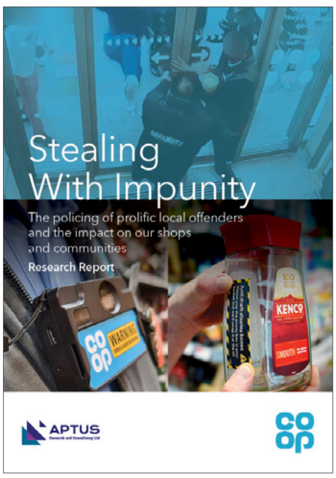
Described in The Times as 'one of the country's foremost criminologists', our Director, Emmeline Taylor is Professor of Criminology with more than 20 years of experience in research across the private, public and academic sectors. Professor Taylor has worked at world-leading institutions on three continents (in England, Singapore and Australia) and is now London based. At Aptus, Professor Taylor and the team regularly work with the police, probation, prisons, national government and private business to develop projects to address some of the most challenging societal issues including violent crime, anti-social behaviour, retail security, and the responsible use of surveillance technologies.

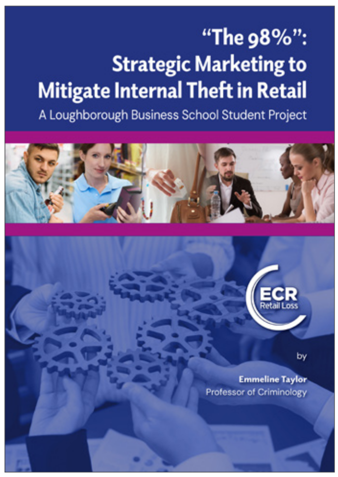
Aptus is committed to producing policy-relevant outputs and engaging in activities that promote new knowledge and understanding at the forefront of complex crime-related issues.

www.aptusresearch.com

Recent Aptus Reports







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