**Retail Sector Council – 5 February 2020**

**Meeting Note**

1. **Attendees**

**Co-Chairs**: Kelly Tolhurst, Co-Chair

Richard Pennycook, Co-Chair

**Attendees**: Elizabeth Fagan, Non-Executive Director Boots UK & ROI

Ian Filby, Chair, Sofology and Joules

Sir Charlie Mayfield, Chair, John Lewis Partnership

Nick Beighton, CEO, ASOS

Helen Dickinson, CEO, British Retail Consortium

James Lowman, CEO, Association of Convenience Stores

Carl Creswell, BEIS

Craig Watson, BEIS

Ursula Lidbetter, CEO, Lincolnshire Cooperative

Diane Savory, GFirst LEP

**Guests**: Rachel Fisher (Deputy Director, Regeneration and Infrastructure – Cities and Local Growth Unit)

**Apologies**: Doug Gurr, UK Country Manager, Amazon

Andrew Goodacre, Bira

Victoria Robertshaw, CEO, Keelham Farm Shop

Paddy Lillis, General Secretary, Usdaw

1. **Summary of Actions**

|  |  |
| --- | --- |
| **Action** | **Owner** |
| Retail Sector Council to write to the Treasury in advance of the Budget setting out the evidence gathered to date and priorities for the forthcoming Business Rates review and highlighting any recommendations from the draft report which enjoy broad support. | RP |
| Business Costs workstream to undertake a wider consultation on areas for broader consideration. | RP |
| Employment workstream to establish whether more granular data is available about job losses and store closures. | HD/BRC |
| Employment workstream to reflect concerns and priorities in relation to employee safety. | HD/BRC |
| The Place workstream pilot is supported in principle. | DS |
| DS to meet officials to discuss support for the proposed Place workstream pilot. | DS/MHCLG/BEIS |
| BRC consumer policy lead to meet UL. | UL/BRC |

1. **Note of Discussion**
2. **Welcome & Introductions**

RP opened the meeting, welcomed attendees and provided a brief overview of the agenda.

**b) Government Priorities for Business and Retail**

KT provided opening thoughts on the work of the Sector Council and the good progress which had been made in the workstreams to date. She noted that the Department is thinking seriously about effective methods to support the industry and that there will be a number of opportunities to engage with and support the approach of the new government in the months to come. There is likely to be a particular focus on the importance of place and meeting the challenge of net zero. The Sector Council will provide a crucial advisory function as this thinking develops.

**c) Business Costs Working Group**

RP provided an overview of the first draft of the report of the Business Costs WG. He noted that, in contrast to the majority of other workstreams which set out key contributions which the industry is in the process of making, the content of the draft report is framed around asks of the Government.

There was strong agreement in the room that the research presented in the draft report makes a valuable contribution to the understanding of the industry’s position and the priority areas which require action. It was felt that there are also a number of the draft recommendations presented – for example, in relation to the transparency of commercial lease arrangements – which would be widely supported by Sector Council members. It was noted that the terms of reference for the forthcoming Business Rates review will be set out in due course and that the Sector Council should ensure that key evidence about the industry backdrop is presented to the Treasury as part of this process.

At the same time, there wasn’t alignment across the Council in relation to a number of the broader tax-related draft recommendations in the report.

Now the Council has had a substantive discussion on the draft recommendations, the working group will run a wider consultation with the sector on their draft report and findings.

**Action**: Retail Sector Council to write to the Treasury in advance of the Budget setting out the evidence gathered to date and priorities for the forthcoming Business Rates review and highlighting any recommendations from the draft report which enjoy broad support.

**Action**: Business Costs workstream to undertake a wider consultation on areas for broader consideration.

**d) Update on 2019 Q3/Q4 Workstreams**

HD provided an update on the progress of the **Employment workstream**. She noted that the report of the first phase of the workstream had been circulated with the papers and distributed a copy of the HR Community Strategy which had been agreed at the recent BRC roundtable. Key aspects of the forward strategy focus on:

* Immigration
* Better Jobs
* Government Initiatives/Regulations

It was noted that this workstream is a strong example of the industry working to help itself, establishing a clear evidence base, identifying good practice and supporting the development of higher skills and learning in the industry. It was also noted that the forthcoming Employment Bill will progress a number of issues of significance for the industry and that the Sector Council will give consideration to this as it moves forward.

In the discussion that followed, attendees noted that it would be valuable to have a more developed understanding of the impact of job losses and store closures in different types of retailing location – this would enable the industry to be more granular in its analysis of the impact of retail transformation. It was also noted that safety and security issues were a key concern for many retail colleagues currently and that the narrative for this workstream needed to reflect this aligned area of activity.

**Action**: Employment workstream to establish whether more granular data is available about job losses and store closures.

**Action**: Employment workstream to reflect concerns and priorities in relation to employee safety.

DS introduced the **Place** workstream proposal. She noted that if the proposed pilot is supported, funding and/or other support would be needed to progress it. Sector Council members strongly supported progressing the pilot in principle. Officials agreed to have a follow up discussion after the meeting about whether such support might be available.

**Decision**: The Place workstream pilot is supported in principle.

**Action**: DS to meet officials to discuss support for the Place workstream pilot.

CM introduced the **Retail Productivity** workstream, providing an overview of the Executive Summary and noting that from an industry perspective it is vitally important not to overlook the needs of small businesses. He particularly noted that consultation with small businesses had identified the need for concerted action in the following areas:

* Local leadership
* Technology as an enabler
* Competitive environment

He also noted that particular interest had been shown in the role of online marketplaces and the impact of payments fees.

UL provided a short overview of potential areas for consideration in the upcoming **Consumer Protections** workstream. It was agreed that the BRC would meet UL to provide an overview of its current activity in this area.

**Action**: BRC consumer policy lead to meet UL.

1. **AOB**

It was noted that this would be the last meeting attended by Sir Charlie Mayfield and Elizabeth Fagan. The Sector Council’s sincere thanks were noted for their contributions.

Dates for forthcoming meetings:

• 10 June 2020

• 16 September 2020