

Retail Sector Council – 25 October 2021
Meeting Note

1. Attendees

Co-Chairs: Minister Paul Scully MP, Co-Chair
Richard Pennycook, Co-Chair

Attendees: Helen Dickinson (British Retail Consortium)
James Lowman (Association of Convenience Stores)
Ursula Lidbetter (Lincolnshire Co-op)
Dave McCarthy (HSBC)
Sebastian James (Boots)
Simon Roberts (Sainsburys)
John Rogers (WPP)
Andrew Goodacre (BIRA)
Carl Creswell (BEIS)
Craig Watson (BEIS)

Apologies: Nick Beighton, Ian Filby (IFF Solutions), Nick Read (Post Office)
Peter Jelkeby (Ikea), Paddy Lillis (USDAW), Diane Savory (GFirst LEP), Paul
Marchant (Primark), Victoria Robertshaw (Keelham Farm Shop), John
Boumphrey (Amazon),

Officials: Charles McCall, Head of Domestic Retail, BEIS
Stephen Bethel (BRC), Tom Ironside (BRC)

2. Summary of actions

<u>Action</u>	<u>Owner</u>
ACTION: The Financial Secretary to the Treasury to be invited to the next meeting of the Sector Council to discuss the forward plan on Business Rates.	BEIS
ACTION: It was agreed that: 1) If Sector Council members would like to contribute to the Net Zero/Circular Economy workstream they should let Richard Pennycook or Victoria Robertshaw know. Similarly on Consumer Protection, Sector Council members should let Ursula Lidbetter know if they are interested in participating. 2) If Sector Council members are interested in leading or participating in the development of one of the new areas of the strategic thinking please indicate this to Richard Pennycook.	Sector Council members

ACTION: BEIS team to ensure the Council's submission on Business Rates reform is brought to the attention of the Financial Secretary to the Treasury.	BEIS
ACTION: Interested Sector Council members to contact BEIS Retail Team if they want to participate in the DWP employer forum.	Retail Sector Council members
ACTION: BRC to share relevant data and insight in support of the strategic thinking.	BRC

3. Note of Discussion

a) Welcome and Introductions

The Minister welcomed attendees to the meeting.

He particularly noted the continued focus on HGV driver shortages and the expansion of the seasonal worker scheme and the wider package of measures designed to increase driver testing and longer term workforce capacity in the future.

b) Current Update

Richard Pennycook noted that at the last meeting there had been a comprehensive update on Green Street and the wider circular economy workstream.

He also noted that Nick Beighton will continue to sit on the Sector Council in the future.

c) Retail Strategic Thinking – Update and Discussion

The Minister noted that BEIS had been continuing to develop its thinking on the Department's Retail Strategic narrative and the Government's future direction. He indicated that there would be extensive opportunities to input in the weeks to come to the working paper which had been circulated.

Craig Watson introduced the BEIS working paper, which builds on the input that had been gathered to date from a range of partners across government and industry. He particularly highlighted the importance of providing an accurate reflection of the industry's significant contribution to the UK economy and society and also to develop an effective forward strategic focus.

It was noted that the document as drafted is in three parts: retail businesses; employees; and consumers. Views are sought on the structure of the document. It was emphasised that the document is very much a working draft and that BEIS wants to work in partnership with the industry, and in particular the Council, to develop a document which provides an effective strategy for the future.

Officials then provided an overview of key elements of the current draft. In the resulting discussion, the following points were made:

- The importance of moving rapidly from discussion to a clear plan with realistic objectives and actions was highlighted.
- The breadth of the Government departments with relevance was noted; effective coordination and commitment is needed across government to deliver the required focus and direction.
- There will be an inevitable need to address the question of whether there needs to be a level playing field for regulation and legislation across different channels as part of designing the resulting strategy.
- Consideration should be given to consumer protections afforded online, with a particular regard to dynamic pricing and also product provenance.
- The role of omnichannel retailing and the treatment of resulting services, such as click and collect was highlighted. Similarly, the growing trend for last mile delivery and resulting employment considerations should be explored.
- There should be a focus on supply chain issues, particularly in food, and tackling some of the misconceptions around retail's role in relation to product quality.
- The Sector Council should provide a much clearer understanding of the industry's role in the wider economy and society.
- On Business Rates, the Sector Council will return to that issue after the Budget and any related announcements are made. It was proposed that the Financial Secretary to the Treasury should be invited to the next meeting of the Sector Council. **ACTION:** The Financial Secretary to the Treasury to be invited to the next meeting of the Sector Council to discuss the forward plan on Business Rates.
- Cumulative regulatory burdens were also discussed. It was noted that the scale of new regulatory activity in the coming 12 months is becoming clear and the Government should consider what can be done to take a more phased approach on that front, to ensure that this is manageable and doesn't generate unnecessary burdens.
- Promoting the quality of employment in the industry and a positive perception of retail careers should be a very important area of focus. Skills policy and reform of the apprenticeship levy will make an essential contribution in that regard.
- The value of case studies in communicating effective approaches was emphasised.
- The industry's role in communicating effective health and wellbeing approaches to both customers and employees was highlighted.

Richard Pennycook highlighted the need to coordinate the development of the strategic thinking with the existing workstreams of the Sector Council. He also noted that Sector Council members would have a very important role to play in the development of the forward approach.

ACTION: It was agreed that:

- 1) If Sector Council member would like to contribute to the Net Zero/Circular Economy workstream they should let Richard Pennycook or Victoria Robertshaw know. Similarly on Consumer Protection, Sector Council members should let Ursula Lidbetter know if they are interested in participating.
- 2) If Sector Council members are interested in leading or participating in the development of new areas of the strategy please indicate this to Richard Pennycook.

It was also agreed that BEIS should ask the Treasury team to resubmit the Retail Sector Council's Business Rates Fundamental Review submissions to the new Financial Secretary to the Treasury.

ACTION: BEIS team to ensure the Council's submission on Business Rates reform is brought to the attention of the Financial Secretary to the Treasury.

BRC indicated that it has substantial data and other information which will help to inform the development of the strategy.

ACTION: BRC to share relevant data and insight in support of the strategy.

d) AOB

The Minister noted that the Department for Work and Pensions is hosting a forum to discuss the perception of employment in the industry – if any Sector Council members would be interested in participating they should contact the BEIS Retail Team.

ACTION: Interested Sector Council members to contact BEIS Retail Team if they want to participate in the DWP forum.

It was noted that it was Craig Watson's final meeting, he was thanked for his contribution and commitment to the Sector Council.

Dates for forthcoming meetings - 2021:

- **8 December 2021**