

Retail Sector Council – 26 September 2023
Meeting Note

1. Attendees

Co-Chairs: Minister Kevin Hollinrake MP, Co-Chair
Richard Pennycook, Co-Chair

Attendees:

John Boumphrey (Amazon)
James Lowman (Association of Convenience Stores)
Andrew Goodacre (Bira)
Dave McCarthy
Nick Beighton (Matches Fashion)
Simon Roberts (Sainsbury's)
Victoria Robertshaw (Keelham Farm Shop)
John Rogers (WPP)
Sebastian James (Boots)
Carl Creswell (DBT)

Apologies: Paddy Lillis (USDAW), Ian Filby, Peter Jelkeby (IKEA), Helen Dickinson (British Retail Consortium)

Guests: Paul Regan, Head of Neighbourhood Crime Unit, Home Office.

Officials in attendance: Charles McCall (DBT). Tom Ironside (British Retail Consortium), Stephen Bethel (British Retail Consortium)

2. Summary of actions

Action	Owner
Action: A revised list of areas of focus, including the draft headings for the workplan, will be circulated.	Sector Council
Action: Once circulated, Sector Council members are asked to indicate if they would like to lead a workstream or to actively participate in it.	Sector Council Members
Action: Sector Council to have a more detailed discussion on retail crime at the next meeting.	Sector Council
Action: The update on the Green Street initiative will be held over to the next meeting of the Sector Council.	Sector Council

3. Note of Discussion

a) Welcome and recap of last meeting/actions update

Richard Pennycook welcomed everyone to the meeting and confirmed the agenda.

The Minister noted the upcoming Autumn Statement and reiterated the government's interest in the crime agenda and, alongside the Policing Minister, addressing key challenges.

b) Retail: The Great Enabler Discussion

Richard Pennycook (RP) introduced the discussion and Dave McCarthy (DM) provided a recap on the report and recent media coverage. He noted that there is broad stakeholder interest in the report and that there was not unanimous agreement on all elements of it. The focus now should be on generating discussions with stakeholders about its contents and moving forward with meaningful workstreams.

RP asked members for input on the proposals in the paper, in particular on how to prioritise topics.

One council member supported the idea of an open event to engage a broader, diverse range of stakeholders to secure insights and turn the analysis into action. They said that RSC needed to engage with the Future High Streets Taskforce. They supported the labour workstream, noting recent interest in the role of care leavers, and said he would be keen to play a leading role in that workstream. They felt that a workstream should focus more on generating investment.

Another council member questioned whether business rates should continue to be an area of focus because the debate is well-trodden, previous efforts had had limited success, and agreement across the industry can be difficult to achieve.

One council member noted that the RSC had already done a lot of detailed work on skills and tax, and where work is already underway in other parts of government, for example under Defra's Food Sector Council. They underlined support for work on crime, better cross-industry coordination on textile recycling, and the work on prison leavers and helping older people to return to the workforce. Building on the latter, there was clear potential to develop a workstream looking at the industry's role in supporting social mobility.

Another council member paid tribute to the work to date and its role as a discussion starter. They considered that the focus should not be on business rates given the small likelihood of change before a general election, and that an approach which sought to redistribute the burden within retail should not be supported. They were unsupportive of the delivery tax proposal as a solution to rates reform. They felt that the Sector Council should paint a picture of what a mixed retail economy should look like, then identify areas people are not already working on. They were interested in labour mobility or social mobility as a theme but thought food security should belong to Defra. They were supportive of work on circularity and net zero. They suggested the council should give consideration to addressing trade barriers and how overseas businesses are using existing trade rules.

One council member thanked DM for his work on the report. They agreed with others' views on business rates and questioned the starting point of tax neutrality as retail is over-taxed. They supported prioritising projects and was particularly interested in labour and crime as themes.

The Minister acknowledged challenges with recruitment and was supportive of work to target marginalised groups under the labour workstream. He noted similar work in the hospitality sector. More broadly, he encouraged members to continue with efforts to drive circularity.

One council member suggested the council focus on areas not covered elsewhere: labour, diversity in retail and bringing people back to the workforce; helping people with cost of living; and supply chain challenges in food and non-food.

Another council member agreed with the prioritisation of topics and focusing on areas where the council could have the biggest impact – circularity, cost of living.

RP summarised the discussion. It was agreed that the council should prioritise a smaller number of topics and not repeat work that was already happening elsewhere. The topics identified were:

- Labour and retail careers, including the social mobility agenda, had great potential as a theme.
- Circularity and sustainability, but something actionable – for further discussion.
- Cost of living crisis and the impact on supply chains, resilience and sustainability.
- High street regeneration and investment.

The conversation moved on to turning the priorities into action. The need to keep pushing on business rates and the sustainability of the tax take was noted. It was suggested that influencing party manifestos should be a target for this agenda.

The scope for a Dragons Den style initiative to drive against the recommendations in the report was discussed and it was agreed that that would be worthy of further exploration.

There was also discussion about retail's role as a collector of taxes, and the scope for further work in that area. RP said that the Sector Council may engage the Office of Budget Responsibility on this issue in the future.

Action: A revised list of areas of focus, including the draft headings for the workplan, will be circulated.

Action: Once circulated, Sector Council members are asked to indicate if they would like to lead a workstream or to actively participate in it.

c) Retail Crime

Home Office officials joined the meeting to provide an update on current areas of focus in relation to retail crime and shoplifting. The scale of the problem is recognised and there is aligned recognition that addressing it needs a coordinated response. In setting the scene, the Home Office said that this isn't a wholly new issue. They noted the increased level of police resource and also the new aggravating factor introduced for violence and abuse impacting retail workers in England. Following a recent meeting of retailers, law enforcement and government, it was noted that an action plan will be published shortly to take forward wider areas of activity. It was noted that two key current workstrands are prevention and detection, in particular targeting organised crime through Operation Pegasus and, separately, agreeing a protocol to establish the circumstances in which police will attend a shoplifting incident.

In the discussion that followed the Home Office were asked about the data they were collecting and how it would be shared. One council member asked that this issue should be brought back to the agenda of the next meeting, to have a deeper discussion on this issue. Another

council member highlighted concern about digital crime, particularly hacking, impersonation and fraud.

Action: Sector Council to have a more detailed discussion on retail crime at the next meeting.

d) Green Street Update

Item held over to the next agenda.

Action: The update on the Green Street initiative will be held over to the next meeting of the Sector Council.

e) AOB

The Minister noted that Andrew Keith from Selfridges will be joining the Council from the next meeting.

Dates for forthcoming meetings - 2023:

- **13 December 10:00-11:30**