

Retail Sector Council – 3 February 2021
Meeting Note

1. Attendees

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

Attendees: John Boumphrey (Amazon)
Helen Dickinson (British Retail Consortium)
Diane Savory (GFirst LEP)
Paul Marchant (Primark)
Nick Bighton (ASOS)
Ian Filby (Joules)
Andrew Goodacre (BIRA)
Victoria Robertshaw (Keelham Farm Shop)
James Lowman (Association of Convenience Stores)
Paddy Lillis (USDAW)
Carl Creswell (BEIS)
Craig Watson (BEIS)
Ursula Lidbetter (Lincolnshire Co-op)
Dave McCarthy (HSBC)

Apologies: Nick Read (Post Office), John Rogers (WPP), Seb James (Boots), Peter Jelkeby (Ikea), Roger Burnley (Asda)

Guests: Mims Davies MP, Minister for Employment and Andrew Griffith MP, Net Zero Business Champion

Officials: Charles McCall (BEIS), Keith Smith (DfE), Tom Ironside (BRC), Stephen Bethel (BRC)

2. Summary of actions

<u>Action</u>	<u>Owner</u>
Action: Retail Sector Council to promote SME support for the Together for our Planet pledges (subject to funding within timescales).	Sector Council Member representatives of SME bodies
Action: Victoria Robertshaw to contact members who have expressed an interest on how can support the project as a follow up	Victoria Robertshaw
Action: BEIS to engage with MHCLG ministers to explore the potential scope for coordination of the initiative with the High Streets Taskforce and the Future High Streets Fund.	BEIS/Diane Savory/ Victoria Robertshaw
Action: Any Sector Council members who are able to engage on the wider elements	Sector Council Members

of the workstream to contact Richard Pennycook. Further reflections on areas of work to prioritise based on the 7 already suggested plus contributions in the meeting to be submitted direct to Richard Pennycook	Sector Council Members
Action: Retailers to indicate to BEIS any amendments required to previous reopening plans.	Sector Council Members
Action: Sector Council to circulate correspondence from Paddy Lillis on a suggested strategy for retail.	Retail Sector Council
Action: Sector Council to consider the longer-term framework suggested at the next meeting.	Richard Pennycook
Action: The Sector Council will reflect on the employment and skills discussion and consider the role it can play in the coming months	Richard Pennycook, Helen Dickinson

3. Note of Discussion

a) Welcome, Introductions and Update from the Minister

The Minister welcomed attendees to the meeting and provided an overview of the agenda. He particularly welcomed Andrew Griffiths MP and Mims Davies MP to the meeting to contribute to the Net Zero and employment items respectively.

Richard Pennycook also welcomed attendees to the meeting and introduced the subsequent item on Net Zero and the Circular Economy.

b) Net Zero and the Circular Economy

Victoria Robertshaw provided a presentation on the progress of the Net Zero workstream, which has been split into three separate workstreams:

- Supporting 'Together For Our Planet' campaign for SMEs on behalf of retail sector.
- Green Street, a real life pilot to get SMEs to take action to reduce their carbon output and inspire other retailers to change.
- A new workstream led by Richard Pennycook, focussed on the larger companies and the actions which retail as a whole should be doing.

Since the last meeting there has been a significant focus on identifying resourcing for the workstream. She welcomed the support from BIRA which closely aligns with the work of the wider project. In terms of funding, progress is still being made in identifying potential sources to support this workstream, with confidence that the funding for the next phase will be forthcoming.

The research undertaken by the Broadway Initiative with support of BIRA shows that the needs of SMEs are distinct from those of larger companies. Making the financial case through the Green Street pilot will help to demonstrate the alignment between taking effective steps to tackle associated challenges and commercial success. The

recommendations from the research are focused on the need for dedicated, accessible online content, underpinned by high quality peer group advice and support. The question of accreditation has also been identified as being vital to provide customer reassurance as to the approach taken by SMEs. The benefits of conducting the pilot in a defined local area were outlined, with Bradford expected to be the location used. Victoria signalled good support from multiple stakeholders including the City Council and BID. Green Street is expected to go live in April.

Andrew Griffiths emphasised the government's support for the initiative and welcomed the forward focus on action in the months to come.

In the discussion that followed, Sector Council members discussed the desired measurable outcomes and delivery and the role that these would play in ensuring effective uptake in other areas following the initial pilot. Victoria confirmed that these were deliverables from the pilot. Members also asked about the local retailers who would be supporting the initial pilot and Victoria explained that whilst they have yet to be approached, there is a good core of credible independent retailers in the city. The potential value of Business Improvement Districts in delivering the broader rollout of the initiative was also highlighted. The importance of coordinating with MHCLG on potential relevance to the High Streets Taskforce and the Future High Streets Fund was discussed.

Action: Retail Sector Council to promote SME support for the Together for our Planet pledges.

Action: Victoria Robertshaw to contact members who have expressed an interest on how can support the project as a follow up.

Action: BEIS, Diane Savory and Victoria Robertshaw to engage with MHCLG ministers to explore the potential scope for coordination of the initiative with the High Streets Taskforce and the Future High Streets Fund.

Richard Pennycook provided an overview of the sustainability challenge for the retail industry and the preconditions for successfully addressing existing obstacles. Systemic challenges create difficulties for companies and customers seeking to make better decisions and choices. It is suggested that the Sector Council should undertake targeted interventions which complement areas of activity already underway. Good quality data and information need to be a key precondition for any such activity. Once obstacles are identified, action from government is likely to be needed in some cases to support any solutions identified.

Andrew Griffiths MP indicated his strong support for the preconditions identified. Sector Council members also noted that legislation can be a useful tool to encourage good practice and compliance, when used with care.

Discussion took place around the areas of focus highlighted in the paper, and it was recommended that a small number should be selected, to ensure that meaningful progress can be achieved. The following additions or refinements to the suggestions in the paper were flagged for consideration:

- Packaging
- Clothing Reuse and Textile Recycling Infrastructure
- Plastics
- Refrigeration
- Supply Chain efficiency

Action: Any final further contributions to be submitted directly to Richard Pennycook

Action: Any Sector Council members who are able to engage on the wider elements of the workstream to contact Richard Pennycook.

c) Covid Recovery Discussion

The Retail Minister thanked retailers for the efforts that had been made to serve customers safely. The focus now is on ensuring that retailers who are currently closed are able to reopen as soon as it is safe to do so and that effective support is received in the interim period.

Paddy Lillis outlined his recent correspondence with government setting out the need to focus on the long-term framework which will be needed to ensure a continued vibrant retail sector in the UK. A strategy or blueprint should be considered setting out an effective future framework to ensure a successful future for the industry.

Action: Retailers to indicate to BEIS their priorities for reopening.

Action: Sector Council to circulate previous correspondence from Paddy Lillis.

Action: Sector Council to consider the longer-term framework suggested at the next meeting.

d) Stock Take on Skills and Employment Workstrands

Helen Dickinson provided an update on the current state of play in relation to the skills and employment workstrands. The accelerated transformation in the industry enhances the relevance of these initiatives, aligned to the BRC's Better Jobs initiative. First, we will be engaging fully with the emerging government focus on the future employment landscape, particularly given the upcoming employment bill. Second, reskilling is a vital – BRC Learning is working closely with the Amazon team looking at professionalisation standards for retail, but the first step is a cohesive retail learning programme offer. This is now in the market. Third, the industry is focused on diversity and inclusion, with research being undertaken looking at senior level diversity within retail businesses. This will be launched in March alongside industry pledges from retailers to ensure measurable progress on these issues within retail businesses.

Giving close consideration to the structural nature of the changes taking place in the retail industry was highlighted as being of particular importance. It was recognised that while in the hospitality industry much of the work displacement is likely to be temporary, in retail it will be permanent. There will be fewer jobs in retail in the future.

Keith Smith introduced the Skills and Jobs White Paper and the unique opportunity it presents to take an end-to-end look at the entire skills landscape and the implications for employment. He encouraged Members to engage their organisations on the White Paper recommendations.

Mims Davies noted that wholesale and retail accounted for a significant proportion of new Universal Credit claims in recent months. At this stage it is not clear what the scale of the eventual outcome of the current pandemic and the industry response will be for the retail workforce. At the same time there are large numbers of vacancies in some industries, such as construction, social care and tech related. As the labour market continues to evolve, effective engagement with employers will be essential to ensure the right support is provided as people acquire the right skills for the future. The Kickstarter scheme will have a key role to play in that regard.

Action: The Sector Council will reflect on the employment and skills discussion and consider the role it can play in the coming months.

e) Chinese Supply Issues

The Minister outlined current government advice in relation to Chinese supply chain issues. He thanked those who have engaged with government so far and highlighted the importance of continued collaboration between the sector and government on these issues. The BRC provided an update on activity by BRC members in response to this advice.

f) AOB

No items identified.

Dates for forthcoming meetings - 2021:

- **2 June 2021**