

Retail Sector Council – 8 June 2020
Meeting Note

1. Attendees

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

Attendees: Helen Dickinson (British Retail Consortium),
Diane Savory (GFirst LEP),
Victoria Robertshaw (Keelham Farm Shop),
Andrew Goodacre (BIRA),
James Lowman (Association of Convenience Stores)
Doug Gurr (Amazon)
Roger Burnley (ASDA)
Paddy Lillis (USDAW)
Ursula Lidbetter (Lincolnshire Co-op)
Ian Filby (Joules)
Dave McCarthy (HSBC)
Nick Beighton (ASOS)
Peter Jelkeby (Ikea)
Carl Creswell (BEIS)
Craig Watson (BEIS)

Officials: Rachel Fisher (MHCLG), Tom Ironside (BRC), Stephen Bethel (BRC)

Apologies: Nick Read (Post Office)
John Rogers (WPP)

2. Summary of actions

Action	Owner
Action: High Street Taskforce to be invited to the next meeting of the Retail Sector Council to report on their emerging findings	Diane Savory, BEIS
Action: Doug Gurr and the BRC to push on with the work on the professionalisation framework	Doug Gurr, BRC
Action: Doug Gurr to engage with the LEP network	Doug Gurr, Diane Savory
Action: The Retail Minister agreed to follow up with DfE on the apprenticeship related priorities	BEIS – complete
Action: BEIS to follow up on the letter that was submitted by the Sector Council on Business Rates	BEIS

Action: PS to continue to engage with HMT counterparts on the Business Rates Review and wider taxation system as it applies to retail and the high streets	BEIS
Action: RP and BEIS to define and initiate the emerging project strand defining vision and destination for the industry, including refreshing the Terms of Reference for Council	Richard Pennycook, BEIS
Action: BEIS to assess the economic implications of key legislation which will have an impact on the industry in the coming months	BEIS
Action: HM Treasury/FCA to be invited to a future meeting to give their perspectives on the future of cash and payments	BEIS
Action: Ursula Lidbetter to include the move away from using cash and the impact on key elements of the populace in the scope of the Consumer Protections workstream.	Ursula Lidbetter
Action: Sector Council members to indicate if they would like to become involved in the sustainability workstream. Victoria to hold a second scoping session with BEIS.	Victoria Robertshaw, All members, BEIS
Action: A sub-group of the Sector Council is to be arranged to discuss how to capture celebrating the industry's role in serving the country in recent weeks	Richard Pennycook, BEIS

3. Note of Discussion

a) Welcome and Introductions

The Minister welcomed attendees to his first Retail Sector Council meeting as co-chair. He explained that representation had been broadened to strengthen the work of the Retail Sector Council. Paddy Lillis, Dave McCarthy, Peter Jelkeby and Roger Burnley were all welcomed to the Council. Nick Read and John Rogers would also be joining.

Richard Pennycook noted that the work of the Council remains highly relevant. The impact of Covid19 on the industry and its customers will mean some resetting and redefining of the key areas of focus of the workstreams. He thanked both the Government and business for the quality of the work they have undertaken over the recent weeks and noted that it provides a model for how the two partners should work together in the future. The role of the Sector Council shouldn't be to engage in the firefighting, which is being undertaken elsewhere, but instead to take a longer-term view of the key strategic challenges.

b) Priorities for Retail

The Minister noted the range of activity already underway to prepare for reopening of the wider sector. Supporting customers and their confidence as they return is a key area of focus. The Minister talked through the slide pack and, in particular, the potential acceleration of high street evolution which will result from current challenges. The broader opportunity to address key structural challenges was also outlined in detail.

c) The Retail Sector Council's role in retail recovery

Richard Pennycook provided a short overview of the breadth of retailers represented on the call and the issues which need to be considered as we think about the future of the industry. The process of acceleration presents an opportunity to harness the change that is underway. One of the key takeaways from the meeting will be to refresh the scope of the workstreams in the light of this feed in. Consumer appetite to use new retail channels is likely to go through a further step change.

d) Next steps on workstreams and review of the Council's priorities

The importance of place was highlighted and the aligned role of the High Street Taskforce, which will be reconvening very shortly. Diane Savory is leading this workstream for the Council. Given the extent of the shift currently underway, particularly in terms of emerging new ways of working, this could have a significant impact on this workstream and the Council expressed a desire to accelerate this work. The work on streamlining the planning system should also be better understood by the Sector Council.

Action: Diane will invite the High Street Taskforce to the next meeting of the Retail Sector Council to report on progress.

Doug Gurr updated on the progress of the skills workstrand. It was at quite an advanced stage but put on hold as the lockdown got underway. The work had been begun in the context of full employment but it is made even more timely by the potential for a considerable short term unemployment challenge. Helen Dickinson noted that the work on the professional framework is now progressing with the new Director of BRC Learning in post, so that strand will still advance. There was general agreement that other areas of the skills workstrand should remain on hold for the time being.

Action: Doug Gurr and the BRC to push on with the work on the professionalisation framework.

Action: The Retail Minister agreed to follow up with DfE on the apprenticeship related priorities. Complete.

Property costs remain crucial issues for the sector. Making longer term progress on business rates will be essential to give businesses the certainty to make effective investment decisions. It was noted that the Retail Sector Council had written to the Government to inform its fundamental review of Business Rates but that a response had understandably yet to be received.

The importance of proceeding rapidly with the rates review given the on-going pressure of the Covid19 pandemic on the sector was emphasised.

Action: BEIS to follow up on the letter that was submitted by the Sector Council on Business Rates.

The role of technology as a key facet supporting the productivity agenda was discussed. What remains to be seen is how far changes in customer behaviour remain once lockdown is fully relaxed.

The role of the Sector Council in defining the vision and destination for the industry was highlighted as an essential requirement in order to put a context to any priorities and to be able to assess progress towards them.

Action: RP and BEIS to define and initiate the emerging project strand defining vision and destination for the industry, including refreshing the Terms of Reference for Council.

Looking at future government legislation and its impact on the sector (including plastic taxes, deposit return schemes, associated bans on advertising, Brexit) it would be extremely helpful if BEIS could pull these together and assess the cost impact so that we can understand the Government's priorities.

Action: BEIS to assess the key elements of new legislation which will have an impact on the industry in the coming months.

From the point of view of the Consumer Protection workstream, the move away from using cash and the impact on key elements of the populace, will be a key area of focus.

Action: HM Treasury/FCA should be invited to a future meeting to give their perspectives on the future of cash and payments. Ursula Lidbetter would include this in the scope of her workstream.

The importance of the Retail Sector Council revisiting the question of the ageing population in the light of the experience of recent months was emphasised. It was agreed the Council would reflect on this issue at a future meeting.

The Council was updated on the Circular Economy workstrand, its importance and the need for more resources and broad industry input. The current limited capacity was highlighted. Given the likely high priority for Government of Net Zero post-Covid, Victoria would discuss with BEIS officials how to draw on more support across Government.

Action: Sector Council members to indicate if they would like to become involved in the Circular Economy workstream. Second scoping discussion with BEIS.

The Council discussed the enormous contribution made by the retail industry during the pandemic. The Government can help by reminding people that the retail workforce has been involved in serving the nation over recent weeks. This provides an opportunity to enhance the stature of retail as an employment choice.

Action: A sub-group of the Sector Council is to be arranged to discuss how to capture celebrating the industry's role in serving the country in recent weeks.

e) AOB

Dates for forthcoming meetings:

- 16 September 2020 – additional meetings may be arranged to progress key workstreams and in response to the current situation.