**NB: All meetings are conducted under the Chatham House Rule. This note is a summary of the meeting**

**Retail Sector Council – 25 June 2018**

1. **Attendees**

**Co-Chairs:** Andrew Griffiths, Co-Chair

 Richard Pennycook, Co-Chair

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

 Nick Beighton, CEO, ASOS

 Ian Filby, CEO, DFS

 John Rogers, CEO, Sainsbury’s Argos

Sir Charlie Mayfield, Chair, John Lewis Partnership

John Hannett, General Secretary, USDAW

 Diane Savory, Chair, GFirst LEP

 Victoria Robertshaw, CEO, Keelham Farm Shop

 Helen Dickinson, CEO, British Retail Consortium

 James Lowman, CEO, Association of Convenience Stores

**Guests:** Helen Webb, Chief HR Officer, Co-op

Jake Berry, Minister for the Northern Powerhouse and Local Growth

Laura Robinson, BEIS

**Officials:** Gavin Lambert,Craig Watson (BEIS), Tom Ironside, Stephen Bethel (BRC)

**Apologies:** Elizabeth Fagan, Senior VP & MD Boots UK & ROI

Ursula Lidbetter, CEO, Lincolnshire Cooperative

**2. Summary of Actions**

The Government agreed to involve the Retail Sector Council in relevant ongoing consultations and inform members of any developments. The Retail Sector Council committed to developing a website to communicate its work to interested parties. The Secretariat will draft the Council’s priorities in the short and long term to address the key issues facing the sector, ahead of the next Council meeting in November.

**3. Note of Discussion**

**a) Welcome and introductions**

The Council considered the press coverage of retail in this period of transformation, and BEIS emphasised its commitment to supporting the industry. Members discussed collaboration with other government departments to support policy development.

**b) Retail industry and productivity**

The Council received a presentation on productivity in the retail sector. Compared to international markets, the UK retail industry shows relatively low levels of productivity. Members discussed the oversupply of space, inflationary pressures and changing consumer behaviour as key influencing factors. Sector representatives noted that this change will not be short-term, but that productivity is likely to rise. They cited technology, education and leadership as important areas of focus. They urged that government intervention should be focused on relieving pressure on high streets, promoting a stable investment environment and delivering an agile skills framework.

**c) Retail HR community – Better Jobs and Project Apollo**

The BRC provided an overview of their Better Jobs campaign and Project Apollo initiative.

Members highlighted the importance of apprenticeships in the industry but also noted issues with the levy, including lack of flexibility, the time allowed to spend said levy, and the commonality of approach with devolved powers.

**d) Discussion on productivity and jobs**

Members stated that the establishment of the Council provides Government with a way to work with industry to positively manage the transformation which is underway.

The overarching objective of the Apprenticeship Levy received positive support, but concern was expressed about the complexity and administrative requirements of the scheme. Council members also noted the internal resource required to be committed to manage this administration as a result of the levy. The Government recognised these challenges and noted that industry feedback is currently being discussed.

The discussion also raised the concerns of smaller retailers in developing and implementing more productive/technology-based approaches.

**e) High Streets**

The Council received an overview of key high street issues and the work of the Future High Street Forum. Members recognised that the pace of change in retail is rapid and will remain so. The Government has an important role to play in ensuring a dynamic and sustainable business environment.

The cost of property occupation (rent, rates and change of use) was highlighted as a particular area of concern for members.

The Government will also issue a call for evidence, with a focus on consumers, as to what they are looking for from their high streets.

**f) EU Exit Working Group**

The proposal for an EU Exit Working Group for retail was introduced. Industry representatives are being sought to join the panel. The date for the first meeting of the EU Exit Working Group is intended to be 16th of July.

**g) Forward Work Streams**

The Council considered its future focus and priorities. It was suggested that the Council promote itself publicly by setting out a clear manifesto. This will be incorporated into a website to communicate the work of the Council to the industry and general public.

To ensure the success of the Council it is important to develop a shared view of issues facing the sector and the priority workstreams/aims, possibly leading to a Sector Deal.

**Dates of Future Meetings**

* 12 November 2018
* 26 February 2019