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## SGF ANNUAL CONFERENCE REMINDS RETAILERS TO REMAIN POSITIVE AMID CHALLENGING TIMES

SGF's annual conference returned to Glasgow in October this year. The event hosted industry experts across both days covering issues such as Sustainability, Innovation, Convenience and Health and Wellbeing.

This year's conference took place during a testing year for retailers. Stores have been forced to contend with a worrying surge in retail related crime. In the last two years, 8000 cases of in-store abuse and assaults have been reported to Police Scotland under the Protection of Workers Act 2021. This includes more than 3,000 common or serious assaults.

On top of this, retailers are faced with issues including stubbornly high food



inflation, increased energy bills, extra supply chain costs, and the ever-growing regulatory burden which invariably impacts on our sector.

Speaking at conference, SGF Chief Executive, Dr Pete Cheema OBE said: "The Scottish convenience sector continues to make a vital contribution to the economy and to local communities.

"The convenience stores are hubs which ensure customers can access essential groceries and key services around the clock. Where would we be without them!

"As the only trade association for the Scottish convenience sector, we too have a key role to play to ensure our members voices are heard within government both north and south of the border and our interests protected.

"We want to work with government and to share our expertise and experience so as find workable solutions across the policy spectrum. We are continually trying to make a positive difference and will always go the extra mile for you, our members."

## FLAGSHIP REPORT UNDERLINES THE ESSENTIAL ROLE OF LOCAL CONVENIENCE STORES

Compiled in collaboration with ACS and unveiled on the final day of our conference, our Local Shop Report has revealed the substantial contribution that convenience stores in Scotland make to people's lives, not just as essential grocery businesses, but as job creators, community hubs and beacons of entrepreneurship.

This year's report highlights the decisions being made in Scotland's 5,171 convenience stores in areas like investment, staffing, product mix, technology and service offerings, and delivery.

Key figures from this year's report include:

- There are over 49,000 colleagues working in the convenience sector in Scotland, with 20% of shop owners taking no holidays throughout the year.
- 70% of stores in the UK convenience sector are run by independent retailers, either entirely unaffiliated or as part of a symbol group.

- Across the UK, the convenience sector generated over £47.1bn in sales over the last year, with that figure set to grow to over £50.9bn by 2026.
- Convenience stores in Scotland have invested over £62m over the last year.
- 81% of independent retailers engaged in some form of community activity in the past year.

To read the report go to: <https://www.sgfscot.co.uk/publications/sgf-scottish-local-shop-report-2023>



# SGF & ELFBAR “RECYCLE USED VAPES” PROGRAMME

The Scottish Grocers' Federation (SGF) and ELFBAR will provide 1,000 co-branded in-store vape bins to SGF members. The campaign to support the acceleration of recycling points for used vapes in Scotland builds on the significant progress that has already been made. Many retailers and outlets in Scotland provide free used vape take-back services and this campaign will significantly increase this offering in the convenience sector. The provision of 1,000 free co-branded bins to SGF members will begin in mid-October.

Single use vapes are extremely popular amongst adult smokers and ex-smokers in Scotland. Whilst their effectiveness in supporting a smokefree Scotland is evident, it is vital that adults can dispose of their used vapes responsibly. Research conducted by Opinium of 1,000 adults in Scotland showed that the provision of in-store bins is the most effective way to increase recycling levels of used vapes.

SGF Chief Executive Dr Pete Cheema OBE said: “Single-use, disposable vaping products can be an important gateway to long-term vaping products for

those quitting smoking, but they must stop appearing on our streets and in our parks.



“SGF promotes responsible community retailing and so the opportunity to provide, with ELFBAR, 1,000 free in-store vaping bins to retailers is an important step forward and will feed into the process of providing easy waste and recycling options for disposable vaping products.”

Eve Peters, Director of Government Affairs, and spokesperson for ELFBAR in the UK said: “Single use vapes are a key entry point for adult smoker’s looking to quit smoking for good, however it is vital that they are disposed of responsibly. As our recently commissioned research shows, the provision of in-store vape bins is the most effective way to increase recycling rates.”

The programme has received much interest from retailers and the 1000 bins are set to go out for delivery soon.

## COMMITTEE DEBATE ON PUBLIC HEALTH IMPACT OF VAPING

The Scottish Parliament’s Health, Social Care and Sport Committee met to discuss the public health impact of vaping on 14th November.

A range of issues were discussed and included for example, concerns around:

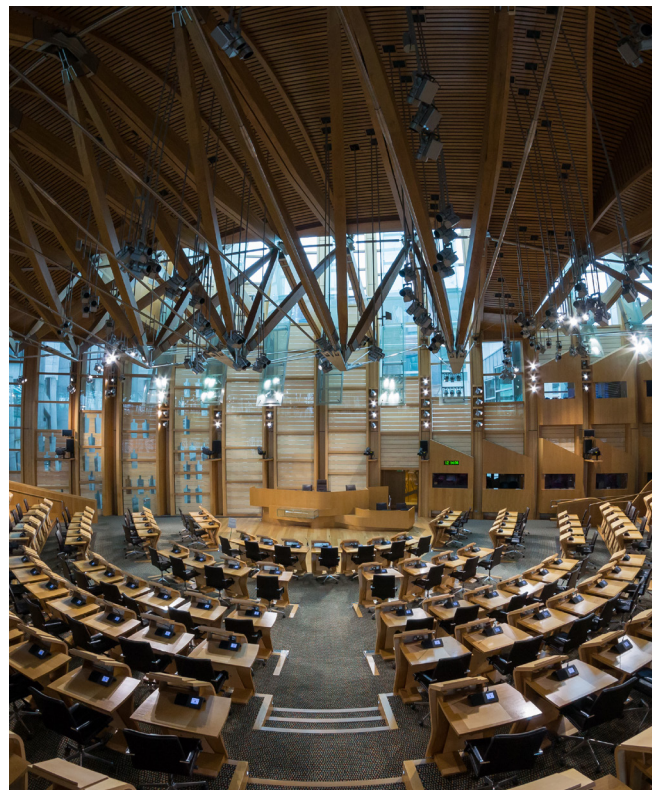
- youth vaping, where MSPs were told that one in four 15-year-olds were believed to be vaping;
- the environmental impact of single use vapes;
- product advertising;
- illicit trade and;
- the transition to vaping from smoking tobacco.

You can view the full committee meeting at:

<https://www.scottishparliament.tv/meeting/health-social-care-and-sport-committee-november-14-2023>

You may also be aware that in September, SGF published its ‘Healthier Choices, Healthier Communities’ campaign which calls for a more nuanced and mature debate about vaping in Scotland and proposes actions which producers, retailers, policymakers and enforcement agencies can take.

You can find this document at: <https://www.sgfscot.co.uk/publications/healthier-choices-healthier-communities-reducing-harm-from-smoking>





# RECONOMY BRAND VALPAK: DATA TOOLS DRIVE SUSTAINABILITY



Reconomy brand Valpak launched in 1997, at the same time as the new Packaging Waste Regulations. Today, we are the largest compliance scheme in the UK, and our database of packaging weights and formats is regularly referenced by government and industry.

In recent years, we have developed tools to improve accuracy in reporting, drive more sustainable packaging design, and help our customers respond to the challenges of new legislation such as Extended Producer Responsibility (EPR) for Packaging Waste, and Plastic Packaging Tax.

Valpak's Product Data Hub demonstrates the challenge for producers tasked with sourcing the data required across multiple products and from global suppliers. It features over 1,600 packaging suppliers from the Americas, and more than 1,100

from Asia. The data hub manages EPR submissions, incorporating automatic checks similar to online banking. But if in doubt, seek help – Valpak holds regular webinars to keep industry informed on the latest updates.

If brands are to minimise costs under EPR, it will be crucial to scrutinise packaging formats. The online Valpak Insight Platform enables advanced cost modelling for current and future legislation reporting requirements.

With the largest packaging weight database in the UK, Valpak is also able to benchmark products. We model across a range of products to show potential EPR cost savings from switching to the 'best in class'. For example, if the industry switched to the best in class for one litre of fruit juice and cordial, it could save 25.12 per cent in fees – equivalent to £600,000.

In 2023, as part of Valpak's Packaging Analysis service, we recruited a packaging technologist. Lorraine Wilson says: "Valpak already helps businesses identify ways to reduce costs under EPR, meet net zero targets and identify new formats and materials. Our consultants also use lifecycle assessment to measure the impact of a product on deforestation or net zero. My job is to assess packaging suitability and map products to re-engineer design. I often find simple tweaks can be effective. It's exhilarating seeing all our analysis transformed into new products or systems that will reduce their environmental impact, and typically save businesses money too!"

**For more information, contact Gemma Dowling on 01789 208778 or email [gemma.dowling@valpak.co.uk](mailto:gemma.dowling@valpak.co.uk)**

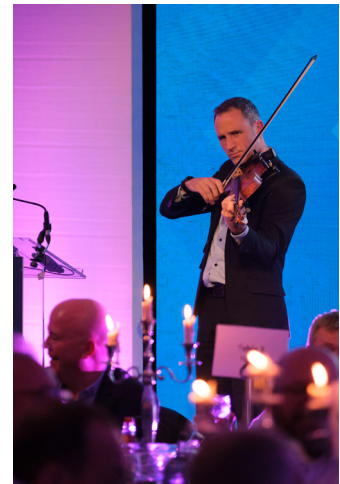
# SGF ANNUAL CONFERENCE 2023

This year SGF held its annual conference at the Crowne Plaza, Glasgow with its title this year being 'What's Next for Retail? Future-proofing the industry'. Covering issues such as what lies ahead for the convenience sector, sustainability, marketing, and crime in the sector.

The event was opened and chaired by BBC Scotland's Gary Robertson who covered the themes of sustainability and innovation on the first day. This included a range of high-quality presentations and speakers such as David Von Laskowski from Green Food group and independent retailer Sophie Williams to name but not a few. The President's welcome dinner took place in the evening. The evening was hosted by Radio Forth's Gary Spence and included a welcome from SGF's President Craig Brown and entertainment from violinist David Laign. There was also a charity raffle draw in aid of the SGF Benevolent Fund to which dinner guests donated generously. Camelot also organised a Lotto Prize Draw on the evening. SGF would like to thank all those companies who provided prizes. Day two covered the themes of Convenience and Health and Wellbeing. It included presentations from SGF's Chief Executive, Dr Pete Cheema OBE, Johnathon Kemp from AG Barr and a Keynote Speech from Motivational Speaker and author Steven Van Belleghem. Conference also featured a trade exhibition and highly innovative breakout sessions.







**EXHIBITORS**

- HLP
- Golden Casket
- Lavazza
- International Beverages
- Phoenix 2 Retail
- Rich's
- Xite Racing Simulator
- How Group UK
- Hovis
- Loch Lomond Group
- Camelot
- Tayto
- Barclaycard
- Vertex
- Honeywell Security
- Bobby's Foods
- AG Barr
- Gander
- Nestle
- Calbee
- Why Waste
- Mhouse Solutions
- JTI
- Country Choice
- ELFBAR
- Business Energy Scotland
- Lucozade Ribena Suntory
- Near Street
- JUUL Labs
- Henderson Technology
- GroceryAid
- Retail Data
- Invest NI
- Christie & Co
- Brodies
- Brownings Bakers
- Cairngorm Brewery
- Fierce Beer
- Orkney Brewery
- Equi's Ice Cream
- Sephra
- Sgaia Foods
- Toll House Spirits
- Brose Oats
- Freshmex
- Graham's The Family Dairy
- IÓ Fibrewater
- Mrs Tilly's
- Naked Kimchi & Co
- PJ's Foods
- The Biggar Gin Company Limited





Honeywell is making the world more sustainable with an array of solutions ranging from sustainable aviation fuels to low global warming potential refrigerants.

Our Technology Is Already Transforming The World  
We're dedicated to driving the transformation to a sustainable future and we're well on our way to delivering on our commitment to make all our facilities and operations carbon neutral by 2035. Our sustainable technology is already out in the world making an impact.

Honeywell ([www.honeywell.com](http://www.honeywell.com)) delivers industry specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally. Our technologies help aircraft, buildings, manufacturing plants, supply chains, and workers become more connected to make our world smarter, safer, and more sustainable.

Honeywell Building Technologies is transforming the way every building operates to help improve quality of life. As a leading building controls company with operations in more than 75 countries supported

by a global channel partner network, commercial building owners and operators use our hardware, software and analytics to help create safe, efficient and productive facilities.

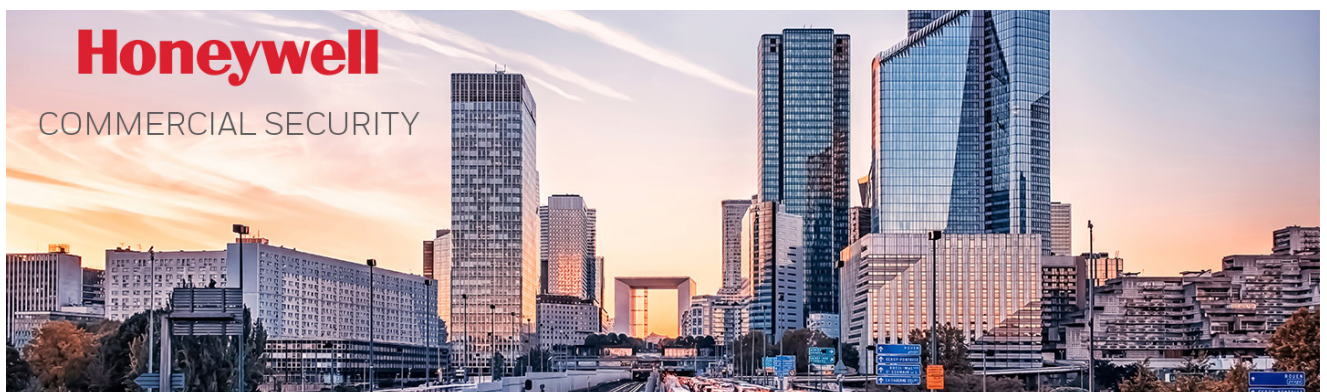
Our solutions and services are used in more than 10 million buildings worldwide.

Our business portfolio consists of:

- Building Management Systems
- Fire & Life Safety
- Commercial Security
- Electronic Products
- Building Projects & Services

Technologies include:

- Healthy Buildings Solutions
- Building Control Systems
- Fire Alarm Systems and Detection
- Smart City Solutions
- Video Management, Access Control and Alarm Verification



## COMMERCIAL SECURITY - PROTECTING WHAT MATTERS WITH HONEYWELL

Honeywell creates trusted, proven security solutions that protect and connect buildings, businesses, and people. From access control, video surveillance and intrusion detection, Honeywell offers robust, global integrated solutions for organisations to help protect staff and property, optimise productivity and comply with strict industry regulations all while reducing operational costs. Its goal is to keep people and places safe through software and products that are created with a secure-by-design approach.

For further information on:

Honeywell Sustainability visit: <https://www.honeywell.com/us/en/company/sustainability>

Honeywell Carbon neutrality visit: <https://www.honeywell.com/us/en/company/sustainability/carbon-neutrality>



# UK AUTUMN STATEMENT 2023

Chancellor Jeremy Hunt announced his Autumn Statement to MPs in Parliament on 22nd November.

Here are some of the main announcements that are of relevance to our sector:

**Inflation** Last week inflation was 4.6%. The OBR forecasts it to fall to 2.8% by the end of 2024.

**Economy** Office for Budget Responsibility forecast economy will grow by 0.6% this year, 0.7% next year and 1.4% in 2025.

**Duty** All alcohol duty increases frozen until next year August 1st.

No increase on beer, cider, wine, or spirits. Rolling tobacco duty will increase by an additional 10% above the tobacco duty escalator.

**Business Rates** Government will freeze Business rates and extend 75% discount for hospitality in England (SGF is calling for Scottish Government to provide the same support).

**Tax** The Chancellor also made permanent a tax break for businesses that allows them to save on corporation tax by investing in their businesses. Also, National Insurance paid by employees has been cut from

	NMW rate from 1 April 2024	Increase in pence	Percentage increase
National Living Wage (21 and over)	£ 11.44	£ 1.02	9.8%
18-20 Year Old Rate	£ 8.60	£ 1.11	14.8%
16-17 Year Old Rate	£ 6.40	£ 1.12	21.2%
Apprentice Rate	£ 6.40	£ 1.12	21.2%
Accommodation Offset	£ 9.99	£ 0.89	9.8%

12% to 10%, taking effect from 6 January. £545million in additional funding through the Barnett Formula.

**Wages** National Living Wage will increase to £11.44 for adults over 21. SGF will be calling on Scottish Government to ensure any rates relief announced in this statement is passed on to Scottish businesses.

In addition, the Scottish Government will receive

## NOTES FROM THE PRESIDENT

### KEEPING OUR SECTOR FRONT OF MIND



OUR annual conference in October seems like such a long time ago and retailers are now gearing up for what will hopefully be a busy and profitable festive season – but I do want to say a few things about our recent gathering in Glasgow and hope that you have perhaps already implemented some new ideas within your business since then.

The conference was hugely successful in terms of its content and our decision to align our speakers and panels with pertinent and relevant themes that affect all our businesses certainly struck a chord with the retailers attending the event.

From a packed business programme to our informative breakout sessions, an excellent trade exhibition and outstanding conference dinner – and, of course, plenty of networking opportunities – we enjoyed an excellent two days with colleagues, many of them attending our conference for the first time.

For me personally there were many highlights with Steven Van Belleghem, the renowned author and motivational speaker, really opening my mind to new ways in which we should push ourselves when doing business – and exploring themes we might not always think to consider.

However, my other key moment of the conference was when Sophie Williams took to the stage for her presentation on social media and marketing for retailers. Sophie, who is manager of the family business Premier Broadway in Edinburgh, blew me away with her assertiveness and authority on her subjects.

To say a “star is born” is something of an understatement and Sophie is an absolute credit not just to her parents Dennis and Linda but to the Scottish convenience store sector. We are incredibly lucky that she has chosen to pursue her career in our industry – we need young people to drive it forward and we also need to see more women leading the charge.

On that note, I’m also delighted to welcome Karen Scott to the SGF’s National Executive. Karen is currently chief operating officer at Scotmid and will become the first female chief executive in the co-op’s 164-year history when she takes over from John Brodie next year.

Finally, for those who may have missed it, a Members Business debate lodged by Gordon Macdonald MSP was held in the Scottish Parliament on November 8, highlighting the substantial and positive benefits that convenience stores bring to their local communities, and the contribution of our sector to the Scottish economy.

Gordon is a long-time supporter of the SGF and our sector so it was great to see him getting the message across to a wider audience that we play a key role in communities the length and breadth of the country.

If anyone wants to chat about any issues regarding the SGF or your individual business, please pick up the phone or drop me an email. I’m happy to help and offer advice where I can – we all have a duty to share our experiences and help each other.

*Craig*

# AN EXCITING NEW CHAPTER FOR THE NATIONAL LOTTERY UNDER ALLWYN – WITH RETAIL AT ITS HEART

Allwyn is a leading global lottery operator and the incoming operator of the UK National Lottery from February 2024. Operating across seven countries – serving over 130 million players with more than 120,000 points of sale – we have a strong track record of building better lotteries that return more to Good Causes by focusing on innovation, technology, efficiency, and safety. We are a trusted team with considerable experience – including in the UK's retail, lottery, entertainment, and charity sectors – and are committed to building an inclusive and innovative National Lottery for everyone, with retail at its heart.

Our vision for the next decade in the UK is to operate a Bigger (in terms of increasing returns to Good Causes), Better (through the enhancement of technology and refreshed games) and Safer (through an increased focus on participant protection) National Lottery – with retailers and retail central to that strategy. We are totally committed to building on the strong foundations that Camelot has laid and continuing to be a great partner to retail.

February now isn't too far away, and the great news is that the vast majority of independent retailers have already completed their Transfer of Retailer Agreement (TRA) from Camelot to Allwyn. This is testament to the great co-operation and support we've seen from our retail partners, working hand in hand with our joint Allwyn and Camelot Retail team. For any independent retailers who have not yet completed their TRA, we ask you to do that as soon as possible – and by 18 December 2023 at the very latest – by logging on at [TNLpartners.co.uk](https://TNLpartners.co.uk).

We're working hard to reach those of you who have not yet completed this – as we would hate for anyone to miss out on the exciting plans, we have lined up from February onwards. We're really grateful to all of our retailer partners for prioritising this – and for all you continue to do in selling National Lottery tickets in your store and helping to raise over £30 million a week for Good Causes across the UK.



# allwyn

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