

IN THIS ISSUE

- 1 SGF MINI-SUMMIT 2021
PARLIAMENTARY MOTION ACKNOWLEDGES SGF'S 'SAY THANKS' CAMPAIGN**

- 2 SCOTTISH LOCAL SHOP REPORT 2021**

- 3 POST OFFICE – SUPPORTING BRANCHLESS COMMUNITIES**

- 4&5 SGF MINI-SUMMIT 2021 IN PICTURES**

- 6 ST PIERRE GROUPE: ON THE RISE**

- 7 NATIONAL LIVING WAGE AND MINIMUM WAGE RATES FOR 2022
NOTES FROM THE PRESIDENT**

- 8 SGF ANNUAL EVENTS 2022**

SGF **MINI-SUMMIT 2021**

The SGF Mini-Summit which took place in November 2021 focussed on the important topic of 'The Future of Food'. The event highlighted that throughout the pandemic the industry had seen many changes in the way goods were sold in convenience stores.

The business session provided an opportunity to focus on how the sector could further develop specific measures to increase sales and services available to their customers. To support these discussions, SGF were delighted to have a high-quality range of speakers from across the industry to share their key insights around data, trends and new developments.

The event was chaired by SGF Head of Public Affairs Dr John Lee who said "The SGF Summit showed that there is a fundamental change in the way we think about food and what the future of food will look like. What is clear is that retailers want to be part of the solution. We are also grateful to the industry experts who provided delegates with their own insights into the marketplace and their vision of trading in the future."

This SGF Summit represented the second in-person event held by SGF this autumn and in 2022 SGF will be returning to a full programme of events. See the back page for full details.



PARLIAMENTARY MOTION ACKNOWLEDGES SGF'S 'SAY THANKS' CAMPAIGN'

Scottish Grocers' Federation has been urging everyone in Scotland to "say thanks" the next time they visit their local convenience store. It is a drive led by SGF for people to show their appreciation for all that retail staff do for their communities following the Protection of Workers Act coming into law.

SGF therefore welcomed the news earlier this autumn that John Mason MSP who is also a member of SGF's Cross Party Group on Independent Convenience Stores had tabled a parliamentary motion asking that the Scottish Parliament welcomes SGF's #SayThanks Campaign. The motion has also been signed by a range of MSPs

The motion states: "That the Parliament welcomes the #SayThanks campaign, which is organised by the Scottish Grocers' Federation; notes that #SayThanks is about encouraging respect for retail workers and thanking convenience stores for their work to keep the economy moving during the COVID-19 pandemic; acknowledges that, in light of the provisions in the Protection

of Workers (Retail and Age-restricted Goods and Services) (Scotland) Act 2021, the Federation has called on all retail workers to report every crime that they witness in their place of work through its Don't Put Up With It campaign; urges customers to thank the people who serve them; commends all of Scotland's retail workers, and thanks them for their continued hard work."

SGF Chief Executive Dr Pete Cheema OBE said "We very much appreciate the significance of this parliamentary motion and the support it has received from MSPs. I believe it's never been more important to show our respect for retail workers. Local shops are always there for us, often going above and beyond to support those around them."

#SayThanks is encouraging greater respect for retail workers and stems from the Don't Put Up With It campaign, encouraging retailers and their staff to report every crime witnessed in their stores. Further information about the #SayThanks campaign can be found at: dontputupwithit.scot/saythanks/.



SCOTTISH LOCAL SHOP REPORT 2021

Scotland's convenience stores have been open for business throughout the pandemic, providing vital grocery products to customer and communities. A new report from the Scottish Grocers Federation has highlighted how the sector has responded to the impact of the pandemic.

The report shows that while the number of stores in Scotland has stayed broadly the same (5,037), there has been a loss of 5,000 jobs with the number of people employed in the sector dropping to 42,000. Stores have put a significant amount of effort into staying open and staying in business – in 2021 retailers invested a total of £62 million in their businesses - but this has been at the cost of jobs. It is likely that the jobs losses have been greater in those stores in town and city centre locations where there has been a drastic reduction in footfall.

In an indication of the move towards shopping locally, average basket spend by customers in convenience stores rose from £7.46 in 2020 to £10.82 in 2021. Community remained at the heart of convenience with 76% of customers knowing their retailer well enough to have a chat with them and 82% of convenience retailers regularly involved in community activities.

Commenting on the Scottish Local Shop report, SGF chief executive Pete Cheema OBE said,

“Convenience stores have played a huge part in supporting customers and communities through the pandemic. Retailers have been determined to stay open but this has meant that jobs have been lost. If there has been a positive outcome of the pandemic it is that people in Scotland have embraced shopping locally and we can see that spending in convenience stores has increased markedly. Convenience



stores are in a unique position to support customers and communities and this has grown during the pandemic.”

Other key statistics from the report include:

- In 2021 colleagues in the convenience sector worked a combined 9.6 million hours.
- The average store is open for 14 hours per day.
- Convenience stores provide very local jobs – the average travel to work time for staff is 10 minute.
- On average, there are around 4,100 different Stock Keeping Units sold in a c-store in the course of a year.

The Scottish Local Shop Report 2021 was launched earlier this autumn at the recent SGF Annual Conference in Glasgow.

SUPPORTING BRANCHLESS COMMUNITIES

How the Cambuslang Post Office BankHub serves as a lifeline for local businesses and their customers
 Ross Borkett – Head of Banking, Post Office



L-R: Nick Read, CEO of Post Office, Jan Culverwell, Postmistress and Manager of Cambuslang BankHub, Richard Fleetwood, Postmaster and Manager of Rochford BankHub.



Millions of people and businesses rely on cash to survive, but access to cash is rapidly declining, with bank branches closing across the UK. 4,299 branches have closed since the start of 2015, a rate of around 50 per month according to Which? research and it's estimated that just 4,100 bank branches will remain across the UK by 2025.

Post Office data also reveals how important cash is to Scots. Personal and business cash deposits across the 1,300 Post Offices in Scotland totalled £162.4 million in October 2021, while business cash deposits have reached around £80 million for each of the last five months. Total withdrawals in Scotland stood at over £54 million in October 2021, up 14% year-on-year.

These figures demonstrate how critical access to cash is for small businesses and their customers in Scotland. Earlier this year the Post Office rolled out trial BankHubs in Cambuslang and Rochford, in Essex, as part of the Communities Access to Cash Pilots

(CACP) initiative. The initiative was developed in partnership with the banking industry and a wide range of consumer groups and charities and has received an overwhelmingly positive response from local communities.

Cambuslang was one of the two trial communities chosen due to the closure of all its bank branches in recent years. The BankHub provides local customers with access to cash services as well as providing a private space to meet with community bankers from their own bank. The BankHub trial received an overwhelmingly positive response from both communities and has become an anchor for the high street, supporting local regeneration of the area.

Post Office BankHubs have the potential to be a key part of the future of access to cash and banking services on the High Street, and Post Office is delighted to be extending the trials in Cambuslang and in Rochford in partnership with the participating banks through to April 2023.



SGF MINI-SUMMIT



This year the SGF Mini-Summit took place at the MacDonal Inchyra Hotel, Falkirk where the main theme for the event was 'The Future of Food'. Delegates also had the chance to hear keynote speakers discuss issues such as Natasha's Law, Q-commerce, home deliveries, passion for food, food-to-go, healthy living and local healthier options.

Throughout the day delegates also had the opportunity to visit the associated trade exhibition which provided a superb opportunity to meet and network with those exhibitors showcasing their products and services. The summit attracted a great turnout and was very well received.

SPONSOR



● **Nisa Retail**

(SGF would like to thank Nisa Retail for sponsoring the SGF-Mini Summit)

EXHIBITORS

- Blixen Travel
- Bobby's Foods
- Camelot UK Lotteries Limited
- Christie & Co
- Cold Town Beer
- Corinthian Brands Ltd
- Eyebright Utilities
- Grocery Aid
- Ian Macleod Distilleries
- MHouse Business Solutions
- NISA Retail
- PayPoint Group
- Philip Morris Limited
- SGF Healthy Living Programme
- Snappy Shopper
- TOMRA
- Vertex



ON THE RISE



St Pierre Groupe is the fastest growing supplier in bakery (Nielsen w/e25.09.21). Its portfolio includes the St Pierre, Baker Street and Paul Hollywood bakery brands. Up 17 per cent year-on-year, it's a bakery business doing things differently to buck the trend of post-pandemic decline. What's more impressive is the business' performance in wholesale; latest figures show that the group is performing well ahead of the rest of the sector. Wholesale bakery is growing at 12 per cent on last year, but St Pierre Groupe is growing at 52 per cent.

The business puts its success down to superior product and a winning team. St Pierre Brioche Burger Buns are the UK's number one burger bun, growing at 164 per cent year on year. St Pierre Brioche Hot Dog Rolls also offer a premium upgrade to the category. Retailers can offer St Pierre products from £2 per pack and upwards, which carries huge appeal in a category that averages less than £1 per pack.

Commercial director Chris McLaughlin explains, "The St Pierre range caters to an audience who have been elevating at-home meals throughout the pandemic and won't now compromise on the quality they've become accustomed to. It's

provided great opportunity for the brand. Most recently, we launched the St Pierre Sliced Brioche Loaf – again to capitalise on the premiumisation trend.

"Baker Street is vital for retailers because it offers a long-life alternative in the bakery category. As a category, bakery poses a perennial challenge for retailers in forecasting stock and reducing wastage – both problems that Baker Street offers a solution for. It's not just retailers who benefit, either. Research shows that consumers are more open to longer life products than ever before - 68 per cent of people place importance on buying foods that help to reduce food waste and 51 per cent of consumers claimed they are more likely to purchase a product that is long-life.

"Extended life has always been a feature of our brands but consumer attitudes towards long-life are changing while retailers understand how our products can help them manage availability on-shelf and reduce wastage.

"It's key for retailers to streamline their offering to 'Good, better, best'. Allow customers the upgrades they're looking for and focus on the top-sellers. The Top 10 products in any retail setting usually

provide 80% of sales, so don't just give everything a single facing instore.

"Finally, I think for many, the temptation is to merchandise stores based on COVID sales, but savvy retailers will look where the growth is – and continues to come from – and pay close attention to those sectors. Morning goods and rolls are driving margin – as a retailer, it makes more sense to highlight these areas and set yourself apart from the competition with merchandising solutions driven by insight."

For more information about St. Pierre Groupe, view our website at: <https://stpierregrroupe.com/>



NATIONAL LIVING WAGE AND MINIMUM WAGE RATES FOR 2022

The UK Government has accepted the Low Pay Commissions (LPC) recommendations for the new National Living Wage (NLW) and minimum wage rates for 2022 – these will start from 1 April 2022. The National Living Wage (for aged 23+) will increase 6.6% from £8.91 to £9.50.

The NLW and NMW rates from next April are set out in the table below:

WAGE RATE	CURRENT RATE	RATE TO APPLY FROM 1ST APRIL 2022	% INCREASE
NATIONAL LIVING WAGE (WORKERS AGED 23 AND OVER)	£8.91	£9.50	6.6
NATIONAL MINIMUM WAGE (WORKERS AGED 21 TO 22)	£8.36	£9.18	9.8
YOUTH DEVELOPMENT RATE (WORKERS AGED 18 TO 20)	£6.56	£6.83	4.1
16 – 17 YEAR OLD RATE	£4.62	£4.81	4.1
APPRENTICE RATE	£4.30	£4.81	11.9

The LPC's Report on the National Minimum Wage (NMW) and National Living Wage) can be accessed at: www.gov.uk/government/publications/minimum-wage-rates-for-2022.

SGF recognise that increases in 2022 to the NLW and NMW will have real implications for convenience retailers who are trying run viable, sustainable businesses during these challenging times. Staff pay will be a major cost pressure for retailers over the next twelve months. SGF will continue raise these concerns with government, politicians and the Low Pay Commission. You can view SGF's briefing paper from September 2021 on 'National Living Wage Project – The Real Cost of Employment' at: www.sgfscoot.co.uk/publications/sgf-true-cost-of-employment-2021.

NOTES FROM THE PRESIDENT

While the last year has presented its own unique set of challenges, the convenience retailing sector has more than risen to this and it has once again demonstrated its critical value to the communities which it serves across the country.

Convenience stores are at the very heart of their communities and have provided the key essentials for their customers throughout the pandemic and both retailers and their staff have extended a warm welcome to all who visit as well providing vital home deliveries including to the most vulnerable sectors of the community. Customer relationships are strong with 29% of them knowing the people running and working in their local shop quite well. A further 10% of customers know the people running and working in their local shop very well.

On top of this 58% of retailers agree that the Covid-19 pandemic has improved their business standing in the community. Our Scottish Local Shop Report 2021 has shown that convenience stores rank 1st at 54% when it comes to the most positive impact on the local area. All of us at SGF are exceptionally proud of each and every one of the retailers we represent for their efforts, and we will continue to do everything we can to support them.

Whilst the last year and a half have demonstrated



just how adaptable retailers can be, our priority at SGF is to ensure we provide all our members with as much information as possible to ensure they are fully equipped to face these challenges head on. For example, Natasha's Law, DRS and HFSS are just a few of the challenges that are likely to impact on retailers in terms of cost, workload and potential risk, and so we would urge our members to take note of the guides and information that is available from SGF.

SGF were delighted to hold in-person events this autumn with the successful return of both the SGF Annual Conference and more recently the SGF Mini-Summit. We can confirm that a full events schedule is in place for 2022. These will provide an excellent platform to network and to generate business opportunities and we would encourage you to register so that you do not miss out.

Throughout next year, SGF will continue to lobby and network on behalf of our membership to inform and influence government policies that create the right environment for all involved in our industry and ensuring a sustainable and prosperous convenience retailing sector in Scotland.

Dan

SGF ANNUAL EVENTS

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MARCH
TUESDAY 22ND

SGF & RAC CRIME SEMINAR
HAMPDEN PARK, GLASGOW

APRIL
THURSDAY 19TH

SGF & PRA MINI SUMMIT
MACDONALD INCHYRA HOTEL,
FALKIRK

JUNE
TUESDAY 14TH

SGF GOLF TOURNAMENT
TRUMP TURNBERRY, AYRSHIRE

JUNE
THURSDAY 23RD

SGF CATEGORY SPECIFIC EVENT
DOUBLETREE WESTERWOOD HOTEL,
GLASGOW

OCTOBER
THURSDAY 6TH &
FRIDAY 7TH

TO BOOK
YOUR PLACE,
PLEASE
EMAIL
IRATI@SGFSCOT.CO.UK

SGF ANNUAL CONFERENCE
CROWNE PLAZA HOTEL,
GLASGOW