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## SGF STUDY HIGHLIGHTS TRUE COST OF EMPLOYMENT FOR CONVENIENCE RETAILERS

Research, published by the University of Stirling and the Scottish Grocers' Federation, has shed light on the impact of rising staff costs on the convenience retail sector in Scotland.

On 1st April, the UK National Living Wage rose to £10.42, a 9.7% increase on 2022/23. However, a collaboration between SGF and University of Stirling has revealed that the true cost for retail employers is as much as £14 per hour, the highest increase of at least the past eight years.

Professor Leigh Sparks, University of Stirling, said: "The increase in the headline figure for the National Living Wage brings welcome relief to many workers, but the true cost to retailers

is much higher and comes on top of other pressures on the cost of doing business.

"Convenience and smaller retailers need to have all these costs considered in the round and see a recognition and amelioration if they are to continue to provide their vital local services for communities."

SGF Chief Executive, Dr Pete Cheema OBE, added: "The pressure of absorbing all the additional

costs is putting businesses at risk. Our members tell us that their staff value the benefits of being able to work locally, with flexible hours, but the significant increase to wages means that some stores will need to cut staff hours. Impacting local jobs and employment.

The full paper can be found on the SGF website: [www.sgfcot.co.uk/communication/publications](http://www.sgfcot.co.uk/communication/publications)



## GO LOCAL PROGRAMME EXTENDED TO 2024

Further to the outstanding success throughout our first 24 months of securing dedicated long term display space for locally sourced Scottish products in convenience stores, the Scottish Government have confirmed additional funding of £190,000 to extend the programme until May 2024.

The aim of Go Local is to increase the turnover of locally and nationally produced Scottish products within the convenience store sector to mitigate for lost volumes in other sectors, to aid economic recovery for Scottish manufacturers and producers, and to promote a sustainable and prosperous

convenience industry in Scotland.

The programme has had widespread support from the industry. Ten leading symbol groups are now participating, as well as a number of independent retailers with a geographical spread from Shetland in the North to the Scottish Borders in the South.

The next year of the programme will see the selection of a minimum of 40 geographically, and demographically diverse stores, to secure increased display space for Scottish products, and use available Scottish supplier databases to increase a.) the number of suppliers and b.) the number of lines available to consumers to fill the secured space.

The online application portal for the latest phase was opened on the 1st of March 2023 and remains live on the SGF website and can be accessed using the following link: [www.sgfcot.co.uk/go-local/application-form](http://www.sgfcot.co.uk/go-local/application-form)



# EPR FOR PACKAGING – WHAT DOES IT MEAN?



Extended Producer Responsibility (EPR) for packaging has arrived. Businesses started collecting data in March, and the first data submissions are due by October.

For those unsure about EPR, the key message is to start collecting data. The level of information required has increased significantly, even before modulated fees

are introduced, with reporting calling for a whole new set of metrics.

With the total cost expected to rise from £140 million in 2021 to £1.7 billion per year, businesses need to budget for significant increases. The 40 million packaging product details held in Valpak’s database enable us to forecast costs. We have found, for example, that a four-pint bottle of own-brand milk is likely to increase from 0.28p to 1.1p.

As EPR progresses, eco-modulation will offer a reduced rate for packaging items

that can demonstrate greater recyclability. Many producers and suppliers are already commissioning lifecycle assessments and considering a switch to alternative materials or polymers. The results are not just good for the environment – Valpak packaging analysis has identified savings of £496,000 from switching to ‘best in class’ for pasta packaging, for example.

The requirements of EPR are challenging, but with the right tools, businesses can alleviate the cost burden and build a more circular supply chain.

# SGF WARN RETAILERS OF MIXED MESSAGING ON THE FUTURE OF FREE-TO-USE ATMS

The Scottish Grocers’ Federation is reassuring convenience retailers that there is no plan to reduce the number of free-to-use ATMs across Scotland. With the number of free machines in fact increasing over the past two years.

Concerns were raised with SGF after an ATM operator issued a letter to retailers, claiming that there was no option but to move them onto a pay-to-use system. The letter states that: ‘LINK, which governs the ATM network in the UK, wishes to see the overall number of Free to Use ATMs reduced by about 50%’.

In a letter to SGF, LINK has confirmed that this statement is ‘simply not true’ and carries on to explain that they are working to protect the free access to cash network in Scotland, particularly in rural and remote communities. This is

backed up by evidence that the number of free-to-use machines increased from 26,541 in January 2021 to 26,814 in January 2023.

SGF is urging retailers to carefully check their contractual agreements, before altering their arrangement with ATM operators or moving to a

pay-to-use ATM.

SGF Chief Executive, Dr Pete Cheema OBE said: “Misinformation regarding the future of free-to-use ATMs is a serious concern for our members and for convenience retail in Scotland. Many stores are at the very heart of their communities and rely on

providing essential local services, and good customer relations.

“Being able to provide easily available free access to cash is essential for many rural, remote, elderly and deprived communities and an important part of the offer and range of services available at many stores.”



# PROVIDING EMOTIONAL, PRACTICAL AND FINANCIAL SUPPORT TO EVERYONE WHO NEEDS US

GroceryAid supports people who work or have worked in the grocery industry. This includes anyone who works for a supermarket, wholesaler, manufacturer, convenience store, independent grocer, petrol forecourt store or service provider to the grocery trade. It also supports businesses in the foodservice wholesale sector.

Any colleague working in the grocery industry can access its emotional and practical support, plus financial advice, from the first day of their employment. After six months of continuous employment, colleagues may be eligible for one of its non-repayable financial grants.

Colleagues can call GroceryAid's FREE and confidential Helpline, on 08088 021122, 24 hours a day, 365 days a year for immediate advice. Calls are answered by BACP trained counsellors, so can also provide colleagues with immediate

emotional support if required. Otherwise, call handlers assess the caller's requirements and signpost to the correct GroceryAid service. More than 200 languages are also supported through the Helpline, on request.

Further support and information about all GroceryAid's services are available at [www.groceryaid.org.uk/get-help](http://www.groceryaid.org.uk/get-help). The online wellbeing platform contains plenty of advice, guidance and even short courses on a number of topics. On the website, colleagues can also apply for counselling or financial grants. There is also information about Kooth, an online wellbeing community for 11–25-year-olds.

Colleagues can stay updated on GroceryAid welfare services and other charity news by following the charity on Facebook @GroceryAid or Instagram @GroceryAid\_UK.

## JAKE'S STORY

*Jake had been working in the grocery industry for over 10 years at a large factory. After managing to secure accommodation at a hostel through the YMCA, following the death of his mother, it came to his employer's attention that Jake had received 28 days' notice to leave the premises because he had accrued several thousand pounds worth of rent arrears.*

*Following an application for a financial grant, and subsequent intervention from Shelter, GroceryAid made a grant award of £1,000 towards Jake's arrears. The eviction notice was withdrawn, and a repayment plan was set up with his landlord to secure his future tenancy.*

*If you are facing a housing crisis, find out if you're eligible for one of GroceryAid's one-off financial grants to help you. Read more about our eligibility criteria here.*

## JAKE'S STORY

“Thank you for the advice you gave me, I am forever grateful to GroceryAid and Shelter. Your assistance has changed my life. Again, thank you!”

Find out how GroceryAid helped >

GroceryAid



# SGF EVENTS BRING COMMUNITY TOGETHER

**SGF HAVE HELD A NUMBER OF WELL RECEIVED EVENTS SINCE THE PREVIOUS EDITION OF OUR COMMUNITY SHOP MAGAZINE.**

## CRIME AND WELLBEING SEMINAR



Against the backdrop of “record levels” of retail crime, as highlighted in the SGF’s 2022 Crime Report, retailers gathered at Scotland’s national football stadium, Hampden Park on 7th March to hear more about how retail crime has been affecting convenience stores, and to collect some ideas on how to prevent it. The event was opened by SGF Vice President Graham Watson and speakers included Russell Findlay MSP and Police Scotland’s Superintendent Hilary Sloan. It was held in partnership with Retailers Against Crime

SGF Chief Executive Dr Pete Cheema OBE said on the issue, “Every single incident of abuse or theft that happens in stores across Scotland, is one too many. That is why SGF will always take a zero-tolerance approach to crime and ensure that decision makers understand the lasting damage it can have on staff and businesses.”



## GOLF DAY



On Wednesday 19th April, the SGF Golf Day took place at Gleneagles Golf Course. The day began with networking and breakfast rolls, where the players had the opportunity to warm up at the practice facilities. They then made their way out to the PGA Centenary Course for the round of golf. The day ended with a networking drinks reception, dinner, and trophy presentations. The sun was shining for what was a terrific day out for our members on one of Scotland’s most renowned Golf Courses. Congratulations to all the winners!

Finally, SGF’s Mini Summit was held on 18th May. This event took place at the MacDonalD Inchyra Hotel in Falkirk. The event explored four areas currently of importance to the convenience sector today: High Fat, Sugar and Salt food restrictions, Vaping, Alcohol advertising and Minimum Unit Pricing and the Deposit Return Scheme. Expert panels provided insightful discussions and debate on these issues.

Keynote Speeches came from Valerie Aston, who discussed how HFSS restrictions affect her stores in England, and the Minister for Green Skills, Circular Economy and Biodiversity Lorna Slater gave an update on the Deposit Return Scheme.

We thank all those who sponsored our events to make them possible.

## MINI SUMMIT



You can find more information on SGF events in the following link.

[www.sgfscot.co.uk/networking-events/sgf-events](http://www.sgfscot.co.uk/networking-events/sgf-events)

# RECYCLE REVOLUTION



Müller Milk and Ingredients buy a fifth of all British milk produced from 1,300 British farms, including from 173 Scottish farms. Our state of the art dairy in Bellshill processes 100% natural milk with nothing added, is high in protein and a source of calcium. Our bottles are blow moulded on site and are 100% recyclable and now clear caps are used on semi skimmed milk, with all bottles to carry clear caps by summer 2023.

Müller Milk & Ingredients was the first to trial clear caps as unlike the fully recyclable plastic milk bottles the coloured caps cannot be recycled back into food grade packaging. This means clear caps can be retained and reused within the food sector. Demand for rHDPE outstrips supply so by keeping the material in a closed loop system we reduce the dependency on virgin plastic. Moving to clear caps means that all dairy caps are recyclable back into food grade packaging equivalent of 1,560 tonnes in our business overall.

In trials Müller found that consumers were not aware that the coloured dairy caps were not recyclable but wanted to purchase clear caps when available.

The 1st phase - moving semi skimmed poly bottle milk to clear caps - has been seamlessly executed. Thus 70% of all poly bottle milk supplied by Müller Milk & Ingredients now have caps which can be recycled back into the food packaging chain. The next phase is to make the same change on skimmed and whole milk. We fully support the ambitions and targets of the Dairy Roadmap, a crucial industry wide strategy developed to reduce the dairy industry's environmental impact. To achieve these ambitious goals, we're not only making many changes within our business, but we're working collaboratively with our customers and suppliers to help reduce the environmental impact of our products and operations and moving to clear caps is an example of this.

For more information, contact [customer.service@muller.co.uk](mailto:customer.service@muller.co.uk)

# COMMUNITIES AND SUSTAINABILITY, CORNERSTONES TO BUSINESS



Scotland's food wholesale heroes

Our George, Delivery Driver extraordinaire

Our Legendary Egg Mayo Sandwich Filling

**FIFE CREAMERY**  
QUALITY WHOLESALe FOODS INNOVATION SINCE 1957

fifecreamery.co.uk

John Simpson Snr first started delivering quality products in 1957, ever since then we've supported our customers through constant innovation. We were the first 'chilled food' wholesaler in Scotland to introduce temperature-controlled deliveries, and the first to achieve the STS Food Safety Standard for Food Suppliers & Distributors accreditation. We have recently invested in our state-of-the-art Frozen warehouse, our delivery fleet, our logistics management, our commitment to sustainability and of course, our people. Our recently launched 'Food Wholesale Heroes' campaign (re-branding of our fleet and soon to be aired broadcast TV campaign) puts our own people front and centre.

As a company we acknowledge our responsibility in providing a sustainable future for our business and community. At Fife Creamery sustainability means working in partnership with others, protecting and improving our environment, creating fair and safe workplaces, and delivering benefits across our communities. Recently, we made the investments and changes needed to play our part in reducing carbon emissions and waste, ensuring ethical trading and mindful of our responsibility for best practice in the workplace and its supply chain.

Our communities are very important to us, and we are lucky that due to doing business with customers and partners throughout Scotland, we have active communities across the country. It is our duty to engage with the communities that our business touches.

We are about to launch a charitable initiative where our customers nominate a 'good cause' within their own community, a charity close to their heart, a community project, or a local kid's team and each month Fife Creamery intends to make a sizable donation to a great cause nominated by a customer. Our hope is that our customer's own community will engage with the nomination process and will mean we can make a small difference to local communities across Scotland every month!

It's also important to acknowledge that we have a responsibility and a duty of care to the wellbeing of our employees and the wider public that we engage with. We are well on the way to installing automated external defibrillators (AEDs) across our Kirkcaldy site, and we intend to broaden the initiative and equip all Fife Creamery trucks with an AED device and make it known to the public on the cab doors that the driver of the vehicle has access to an onboard AED. For Fife Creamery it is important for us as a business to be able to help our communities in a meaningful way, offering tangible and practical help in world where it is easy to state you care about issues such as sustainability and your community, but easier to let doing business gets in the way!

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# FIRST MINISTER'S PLAN FOR SCOTTISH BUSINESS

## FIRST MINISTER HUMZA YOUSEF HAS ANNOUNCED HIS CABINET AND DELIVERED A STATEMENT TO THE SCOTTISH PARLIAMENT OUTLINING HIS VISION FOR SCOTLAND.

On 29th March this year the First Minister appointed a new cabinet of ministers. Available at: [www.gov.scot/about/who-runs-government/cabinet-and-ministers/](http://www.gov.scot/about/who-runs-government/cabinet-and-ministers/)

In his statement to Parliament on 18th April, the First Minister highlighted three specific steps to engage with and improve relations with businesses.

- Deposit Return Scheme (DRS) – Will now be delayed until 1st March 2024 and new measures to simplify the scheme have been announced.
- New Deal for Scottish Businesses – To work with the business sector and explore how government can better support businesses and communities using policy levers such as Non-Domestic Rates.
- Alcohol Advertising – Officials will work with industry, and public health stakeholders, to agree a new set of proposals on alcohol advertising.

The full speech can be found here:

[www.gov.scot/publications/equality-opportunity-community-new-leadership-fresh-start/](http://www.gov.scot/publications/equality-opportunity-community-new-leadership-fresh-start/)

Alongside the First Minister's statement The Scottish Government has published 'A Fresh Start' paper. Some of the initiatives highlighted in the paper include taking action to reduce alcohol harm, including reviewing minimum unit pricing, and ensuring smoking rates remain on track to make Scotland tobacco-free by 2034.



### NOTES FROM THE PRESIDENT

IT'S fair to say that quite a lot has happened since I wrote my President's notes for the last issue of Community Shop.

We have a new First Minister – Humza Yousaf – who very quickly moved to delay an unworkable deposit return scheme (DRS) from August 16 to March 2024. Naturally, there was a collective sigh of relief across the convenience sector – but let's not get too carried away.

We cannot lose sight of the fact that there is still going to be a DRS – this is just a delay – so it's imperative that the Scottish Government now seriously listens to the concerns of industry to ensure that the DRS, when it is implemented next year, is fit for purpose for businesses and consumers alike.

For those of you who attended our recent Mini-Summit at Falkirk, Lorna Slater MSP, Minister for Green Skills, Circular Economy and Biodiversity, provided an update on DRS. There are still many questions to be answered, but it's a step in the right direction and we thank Ms Slater for her time – it's hugely encouraging that the Scottish Government is engaging with SGF on this key issue affecting our members and the wider retail sector.

Another welcome announcement by the First Minister has been his commitment to take plans for a major clampdown on alcohol advertising "back to the drawing board". We will continue to engage with the Scottish Government and officials to get our



views across to ensure that any future legislation will not have an adverse effect on convenience retailers.

Meantime, the fourth phase of our Go Local programme has been rolled out and will build upon our aim to support convenience stores across Scotland in providing dedicated, long-term display space for locally-sourced Scottish products.

And on a lighter note, it was great to see so many of you at our recent golf day at Gleneagles.

However well – or otherwise! – you played on the day, the event provided an opportunity to network and catch up with colleagues away from the shop as well as enjoy an excellent dinner in the evening.

Finally, my door is always open so pick up the phone or drop me an email if there are any issues you wish to chat with me about.

Meantime, I wish you all every success over the next couple of months when hopefully some hot, sunny weather will lead to increased sales of categories such as ice-cream, soft drinks and BBQ food. Tap into seasonal lines, focus on events – both national and local to your store – and do what you do best: provide the best possible customer service.

*Craig*



# SGF LAUNCH ONLINE TOOL TO HELP RETAILERS CALCULATE THEIR BUSINESS RATES



The Scottish Grocer's Federation has launched an online resource to help convenience retailers calculate their Business Rates Relief and Transitional Relief for 2023/24.

On 1st April 2023, support provided by the Scottish Government's Small Business Bonus Scheme was tapered according to a properties Rateable Value (RV). Reducing the amount of relief some small businesses will receive.

Business Rates support is now on a sliding scale, from

100% for properties with an RV up to £12,000, down to 0% for properties with a RV over £20,000. Previously the threshold for 100% relief was set at £15,000 RV.

In addition, Ministers have announced a Revaluation Transitional Relief scheme, which will introduce a cap on rates liabilities due to revaluation. Caps will be based on business size.

SGF Chief Executive, Dr Pete Cheema OBE said: "In January, SGF and our colleagues across the retail sector launched a campaign calling on the Scottish Government to bring rates relief in line with our counterparts south of the border.

"The reduction in support through the Small Business Bonus Scheme this year, will see many businesses hit with an unexpected bill. SGF has set up this online resource to help convenience retailers and small businesses understand how the new tapered system will impact them."

- SBBS calculator:  
[www.sgfcot.co.uk/sbbs-business-rates-relief-calculator](http://www.sgfcot.co.uk/sbbs-business-rates-relief-calculator)
- Transitional Relief calculator:  
[www.sgfcot.co.uk/revaluation-transitional-relief-calculator](http://www.sgfcot.co.uk/revaluation-transitional-relief-calculator)

## ANNUAL CONFERENCE 2023

*What's Next for Retail?  
Future-proofing the Industry*

*12th & 13th October, Glasgow*

To book, scan the QR code or visit  
[www.sgfcot.co.uk/networking-events](http://www.sgfcot.co.uk/networking-events)



*Free to attend for independent retailers*

