



# Getting the Right Change – A Retail Strategy for Scotland

*Feedback from Moray Chamber of Commerce Network –  
April 2022*

# Introduction

Moray Chamber of Commerce (MCC) hosted a roundtable with retail members and Elgin Business Improvement District to discuss the retail strategy for Scotland – Getting the Right Change. MCC structured the conversation around the key themes and had these as leading discussion points. MCC also took this opportunity to look at the Moray Retail Study (a study predominately used for planning purposes) and looked at both documents holistically to ensure that the discussion and views were useful and appropriate.

The key themes that were agreed as part of Getting the Right Change are as follows:

1. Developing and promoting a Fair Work Agreement that retailers can voluntarily sign up to, to improve fair work conditions across the sector and contribute to reduction of in-work poverty
2. Working with Skills Development Scotland and other partners on a Skills Audit and Action Plan, to support retail reskilling or upskilling as jobs change, for example due to technology like self-scan checkouts and online ordering systems
3. Developing a Just Transition Plan for Retail to protect jobs and contribute to net zero emissions by 2045 through developing local supply chains, reuse of materials and sustainable travel choices by staff and customers
4. Promoting town and city centres and local businesses while supporting ways to repurpose vacant retail units
5. Harnessing opportunities in the National Strategy for Economic Transformation that will directly support the retail sector, like actions to grow businesses, boost productivity and support entrepreneurship

MCC has collated the response from the retail community on this and they are noted below broken down in to themes.

## 1. Developing and promoting a Fair Work Agreement that retailers can voluntarily sign up to, to improve fair work conditions across the sector and contribute to reduction of in-work poverty

The information detailed around this theme implies that retailers are not doing this. Retailers expressed concern that if there was not the same type of agreement for other sectors then they are being singled out.

Part of the fair work agreement including respect, scrutiny, fulfilment, and an effective voice implies that this is not already the case and as noted above feels like the pressure is on retail only for this rather than business as whole.

Retailers noted that they do put staff first, however staff need to engage and want to positively continue on the journey too by undertaking additional training. There was a shared concern that some staff's expectations are simply too high the sector and we need to work together to adjust this.

A genuine concern was raised around the responsibility of the employer and where this starts and ends. This was in particular relation to in work poverty. Another example could be smoking. Employers paying the living wage now still have staff in in work poverty, how far do they go to help the individuals.

The retailers all believed that they are community-based businesses. They all paid more than the minimum wage and most more than the living wage.

The living wage foundation was discussed and agreed that the real living wage should be in sync with governments figures in April and not in October like it currently is as it makes the situation confusion for both staff and employers. There was also consensus in the room that the Living Wage Foundation is not relevant or fit for purpose and more needs to be done to tackle the problem then paying a fee and getting a logo to use.

## 2. Working with Skills Development Scotland and other partners on a Skills Audit and Action Plan, to support retail reskilling or upskilling as jobs change, for example due to technology like self-scan checkouts and online ordering systems

The retailers believed that the schools / college / education professionals do not see retail as a career and therefore do not promote it as such. There is agreement that part of the actions of the working group would be to create career path information and guidance for young people / schools / colleges. The upskilling in this knowledge and understanding of the sector will then encourage more young people to see it as a career.

There was noted frustration in the room that Highlands and Islands Enterprise do not support retail and they feel that they are often left out of opportunities.

In the skills part of the strategy, it is believed that 'Customer Service' as a skill is missing and should be added in.

Clarity needs to be sought on what is a green job. How can plans be made around green jobs when there is no understanding of what a green job is.

On page 20 it is noted that £200m will be invested in upskilling, but no understanding of if this is just for retail, or across all sectors in Scotland.

Retailers are happy to provide case studies of career pathways from their organisations.

### 3. Developing a Just Transition Plan for Retail to protect jobs and contribute to net zero emissions by 2045 through developing local supply chains, reuse of materials and sustainable travel choices by staff and customers

It was noted that there is a number of active travel references in the strategy. However, in Moray, this is an unlevel playing field as parking is only chargeable in Moray and not in the surrounding towns and villages with shops.

It is believed that the Local Authority has a role to be encouraging and an enabler in relation to net zero and not put in barriers. However, as most of Elgin is a conservation area, some green adjustments cannot be made simply or quickly and therefore business owners do not engage.

There is an awareness, and is cited within the Moray Economic Strategy, that most businesses do not know where their starting point is regarding their net zero journey, so they cannot even begin. Therefore, grants or very low-cost loans to help take an inventory of their existing position and support for a carbon reduction strategy would be welcome to ensure that no business is left behind.

There was consensus that whilst retailers wanted to 'do their bit' for net zero, the emissions from larger organisations in Moray would need to be tackled first and the trickle-down resource could then support the smaller retailers.

### 4. Promoting town and city centres and local businesses while supporting ways to repurpose vacant retail units

There is no doubt that retailers are aware that High Streets and Retail Parks are changing. They understand that large multi-national chains are not setting up on each High Street like they used to. However, the buildings that they leave behind (banks included) are often large, high maintenance, high NDR and therefore cannot be filled. There needs to be local solutions available to encourage business in to take on these properties.

It was agreed that a number of the first floors on the buildings of retail businesses could be used for residential living however there needs to be thought to bin storage and to a lesser extent, parking.

Some parts of Moray are also in a conservation area or have listed buildings. It would be useful to see a relax in some of these rules so business could take on and make the space more user friendly, eco and fit for purpose – without taking away the heart and feel of the building.

## 5. Harnessing opportunities in the National Strategy for Economic Transformation that will directly support the retail sector, like actions to grow businesses, boost productivity and support entrepreneurship

The retailers discussed how would they attract entrepreneurs in to retail. It was an agreement that most are usually in retail because of the exposure that they have in their lives. Most go in to retail because of an experience or family members owned a shop etc.

However, they noted through education from a young age, upskilling existing work force and sharing positive journeys and stories, they could work towards changing the perception.

It was noted that the above is only possible if trading conditions improve. Between inflation, NDR, staff increase and reduction in footfall, to name a few, it is not a positive time to be in retail.

### Additional Business Feedback:

The strategy fails to acknowledge the reintroduction of Non-Domestic Rates (NDR) from April 2022. Scottish retail businesses are at a disadvantage from their English counterparts. The UK NDR scheme gives retail businesses 50% reduction in NDR up to £110,000 for the year 2022/23. In Scotland this is 50% reduction for **3 months** only (up to £27,500).

The strategy shows no awareness or understanding that cost of goods will increase with inflation and that footfall has not returned to pre pandemic levels.

The strategy refers to an online tax for businesses. This is too vague and as such does not allow us to comment fairly on it. However, we believe that it should be for the large organisations, predominantly those who do not have a physical shop. There is the worry that grants such as the Digital Enablement Grant or the Digital Boost have been taken up for people to develop their e-commerce option but now they are going to be taxed on this.

Google Mobility figures published by the ONS showed a 4% week-on-week drop in visits to workplaces and a 1% decline in visits to 'retail stores and recreation areas', while OpenTable restaurant booking figures dropped by 2 percentage points.

During the pandemic when most retail had to close during two lockdowns all consumer spending was driven to the large supermarkets or Amazon etc. They received funding like other businesses but what steps are being taken to balance this. What assistance is being provided to restart retailers who were closed for months? Many businesses had stopped all the trade and customer buying habits now mean many haven't moved back to other High St options.