

Scottish Parliament Cross Party Group on Independent Convenience Stores

Minute of meeting held on 20th November 2018 in Committee Room 3

1. WELCOME AND INTRODUCTIONS

The Convenor (Gordon MacDonald MSP) welcomed attendees to the meeting including Richard Lyle MSP, Jackie Baillie MSP and Gordon Lindhurst MSP who were also in attendance and then outlined the main items of business.

2. APPROVAL OF PREVIOUS MINUTES AND ACTION POINTS

The Convenor asked for the approval of the previous minutes from the 18th September 2018 meeting. These were approved.

3. AGM AND ELECTION OF OFFICE BEARERS

The Convenor indicated that the election of CPG office bearers had to take place before the meeting commenced. Following a show of hands Gordon MacDonald MSP and Jackie Baillie MSP were both elected as Co-convenors of the CPG and Dr John Lee of the Scottish Grocers' Federation was re-elected as CPG Secretary.

4. WOMEN IN RETAIL

John Lee introduced the speakers and explained that women played a vital role in the retail industry. He also informed the CPG that women had become highly successful retailers and highly successful business people.

The following presentations were delivered:

Karen Peattie – Industry Expert

Karen explained that she had been involved in retail for 30 years with the sector seeing considerable change over that time. Through the decades of change she was aware of how many women had ran their own businesses over that time and that there had always been a strong female presence. This was also down to women in retail being excellent at forging relationships.

Karen informed the CPG that there were wide ranging challenges for women in retail. Both women and men in business had to deal with changes to the legislative and regulatory environment within which convenience stores had to operate. On top of this women had to juggle the associated bureaucracy that came with such changes to the law which involved taking time away from customers when it was important to have time to get to know your customer and providing a personal touch and thereby having a point of difference.

Karen indicated that convenience stores were part of the fabric of society and had been adapting to new innovations over the years and highlighted the recent SGF visit to the ground breaking Amazon Go store in Seattle.

Karen raised the issue as to whether there was more which could be done to get more women involved in retail. She mentioned that there was a need to talk and engage with industry a bit more on this and that more training for women was important too. Karen acknowledged that SGF did important work in this regard and that SWA used a mentoring scheme. Mentoring enabled people to realise their ambitions and that as part of this process a mentor developed and nurtured the mentee.

Karen highlighted that there were a lot talented women in high ranking jobs such as the new chief executive of the TSB and that they were doing fantastic work. Karen also noted that Kathryn Neil was another good example as she had recently been appointed as the Programme Director of the SGF Healthy Living Programme. It was noted however that crime did remain a barrier for many women as

there was not a week gone by where there were incidents of crime and so could deter women from wanting to open and run a convenience store of their own.

Karen informed the CPG that more women were entering retail in areas such manufacturing and that they occupied high ranking positions. She also acknowledged that it was great that men were in those positions too. Karen stated however that there was a danger that gender quotas could get men overlooked for key posts.

Karen mentioned that convenience stores had changed over the last 20 years and were adapting to new things such the new food to go scheme funded by the Scottish Government and which was being administered by SGF. On top of this there were the challenges presented by the proposed Scottish Government deposit return scheme and issues surrounding the real cost of employment.

Karen concluded by stating that the retail sector should speak and collaborate more and learn from other sectors such as the licensed trade and wholesalers. Karen stated she was very proud of the Scottish independent convenience sector and acknowledged the risks they took and that they invested for the long term.

Linda Williams – Broadway Premier

Linda informed the CPG that the convenience sector was one of the largest employers of women and provided an opportunity for those who otherwise would not be able to get into the workplace such as those who had childcare and parental responsibilities or taking time of the career ladder; those looking for stop-gap employment; managing household finances and attending After School Clubs with their children. Linda however highlighted that due to the jobs mainly being part-time retailers did not always invest in them for example by providing training. It was also noted that only 2% of eligible fathers had taken up available paternity leave. Linda mentioned that the majority of customers who shopped at convenience stores were women and so they also made the purchasing decisions when doing their shop.

Linda stated that in convenience stores most female staff were working on the shop floor and there were only 11% of women working in senior positions in the wholesale sector and that in general less than 10% of women in retail were in executive roles. Linda acknowledged that Kathryn Neil had taken up a senior position as the Programme Director of the SGF Healthy Living Programme but that this was not reflective of the general position of women in retail.

Linda explained that many of the women who worked in her store did so due to having other commitments. When asking her staff about what they had originally wanted to achieve in their careers they indicated that they had been held back by low self-esteem. Linda observed that recent research had shown that men in the job market men would still apply for a job where they only met 20% of the job criteria whereas a women tended to apply for a job if they met at least 80% of the job remit.

Linda highlighted that there was a view that women 'minded the shop' while men did all the networking and mentioned that she supported her husband, Dennis Williams to become the SGF President. Linda stated that women were not seen as movers and shakers and did not have their faces on the front of business magazines. Linda added however that women couldn't do everything. This then had a knock on effect for younger people in the industry.

Linda stated that it was important to value female staff and also pointed out that they were good at multi-tasking. Linda added that there was a need to improve childcare and flexible working; a need to have more female role models with more women on company and trade association boards as well as having more active women at the SGF. Linda also added that mentoring was important.

Linda concluded by stating that there was a need to invest in female staff, provide a defined career path and to pay them accordingly.

Joanna Casonato – Giacomazzis, Milnathort and Kinross

Joanna informed the CPG that Giacomazzi's was a multi-award winning retailer at the heart of the community and that they were a family owned business who ran two convenience stores both over 3,000 sq.ft. with one located in Kinross and the other in Milnathort. Joanna stated that in the past when her mum and dad had went on holiday she would step in and run the store for them and commented that ever since then she had been involved in helping run the family business.

Joanna explained that she had overseen the installation of a new Epos system for both stores but that it had been a far bigger job than expected. Joanna stated that she had introduced products from local suppliers and that the Giacomazzis had become involved in the local community. Giacomazzis produced locally made ice cream and had received a Scottish Local Retailer of the year 2015 award. Joanna also mentioned that they had saved the local post office by installing it in-store at their convenience store at Milnathort. Their second store which they had opened in recent years in Kinross also had a pizzeria counter for customers.

Joanna explained that women running businesses had to keep up to date with all the legislative and regulatory requirements and associated costs such as the national living wage and business rates and every other potential cost as well ensuring their business remained competitive.

Joanna stated that in retail strong women were not any less capable than men and commented that she had not faced discrimination but noted that it was more prevalent in France. The hardest aspect was the practical side of women trying to get back into work after having time away (e.g. to start a family). Joanna indicated that she had to adapt her own role to enable her to return to work following having a child. Joanna stated that women should not let getting back in to work daunt them but that they should also not try to do everything themselves.

Joanna explained that she hoped to open more convenience stores in the future.

5. QUESTIONS AND ANSWERS

The Convener then invited comments and questions.

The Convener began the discussion by stating that in terms of the impact of legislation on businesses, retailers should consider how they could better engage with politicians.

Karen Peattie commented that retailers needed to invite politicians into their stores and discuss their concerns with MSPs so as to find the ways in which they could help them.

The Convener mentioned that maybe some MSPs could visit stores and be an apprentice for the day so as to give them a better understanding of the issues that were important to retailers.

Cat Hay thanked the speakers for their good presentations. She stated that there was a comparison between retailing and manufacturing in terms of getting women into retail. There was a reputational issue about working in retail which needed to be addressed. She stated that there needed to be engagement with education partners so as to ensure that career pathways were clearly explained. She also commented that retailing was a great sector for flexible working.

Mike Gordon explained that 75% of the workforce in the convenience sector was female and indicated that at Scotmid there were more female than male store managers. He commented that consideration needed to be given as to how this could be taken further and suggested that agents for change such the SGF and the Scottish Government could possibly provide support.

Linda Williams stated that there needed to be a forum where store managers could come together at events - like the CPG - to engage and network thereby opening their eyes and enabling them to make key contacts.

Karen Peattie commented that consideration should be given to including store managers on SGF study tours not just people at director level.

Dennis Williams stated that he took staff from his store to events such as retailer dinners and commented that the mentoring which his staff were being provided with was helping to build their confidence.

Pete Cheema OBE stated that 71% of the workforce in convenience stores were female with 39% of these businesses being family businesses/ partnerships. He raised the question as to whether Apprenticeship Levy money could be used to promote women in retail. Possibly this was an issue which could be raised with the First Minister.

Jackie Baillie MSP indicated that women were faced by a pyramid structure in the workplace and that action was required to address this. She informed the CPG that consideration should be given to possibly drafting some parliamentary questions on this and related issues.

Pete Cheema OBE mentioned that SGF had brought three women on to the board but that two subsequently quit and the third had attendance issues. SGF would be writing to this board member about this. He also recognised that a woman had other responsibilities and so work did not necessarily end once they were home.

Linda Williams commented that women were not willing to put themselves forward for senior posts as many were lacking in confidence.

Professor Spark's stated that the pyramid structure faced by women in the workplace and employment market was still there and that not a lot had changed in the 40 years since he had completed his PhD. He added that at the University of Stirling they had a legal duty to address the pay gap and gender staffing levels. He also raised the issue as to whether the retail sector looked sufficiently at work practices in stores and that if they did, it would lead to more things being questioned. In addition, consideration needed to be given to taking action at a sector level to help address some of these issues.

Ferhan Ashiq indicated that 90% of the staff in his store were women and that the men he employed to work there tended to be lower paid but that this was purely based on their skill set.

Kevin Plant mentioned that there were different cultures within organisations and there was a need within companies to look at the blockers faced by women. There was a need to support women in business and that flexibility was an important aspect of this.

Colin Smith informed the CPG that he was replacing the female chief executive who had been in post for the past 34 years and was now working on implementing his own vision for SWA. He stated that he wanted to offer an SWA mentoring programme for women and would be happy to work with SGF and others on taking this forward. He indicated any available Scottish Government funding would be welcome.

John Lee raised the issue as to what successful business practices women used to succeed in retail.

Linda Williams stated that in her case, she just got up in the morning and got on with her job while working hard to ensure the business survived.

Joanna Casonato stated that it wasn't until she explained the work that she did as a retailer to forums such as the CPG that she realised the range and scope of things she did as a business woman. She commented this involved running two convenience stores and balancing this with raising her children.

6. DATE OF 2019 MEETINGS

John Lee stated that during 2019 the CPG was scheduled to meet at 6pm on the following dates:

- 19 February 2019
- 21 May 2019
- 17 September 2019
- 19 November 2019

The committee room would be confirmed in due course.

7. ANY OTHER BUSINESS

ATM business rates

Ferhan Ashiq stated that the Court of Appeal had recently ruled that stores would not be required to pay separate business rates on ATMs located at their store but noted that this was only applicable to both England and Wales.

John Lee commented that the Scottish courts could take cognisance of this ruling but that it did not have any direct effect on the law in Scotland.

Jackie Baillie MSP indicated however that in terms of fairness the issue of ATM businesses rates in Scotland needed to be looked at and that Ministers needed to be encouraged to look at this.

Pete Cheema OBE stated that most retailers in Scotland up until a couple of years ago did not pay ATM business rates as they had tended to be picked up by the ATM companies. He also mentioned that there had been a 2% reduction in ATMs in Scotland and that in many places the last bank in town was being closed too.

Ferhan Ashiq mentioned that the ATM providers had been waiting on the Court of Appeal ATM business rates ruling so that they could work out if to pass the costs on to retailers. He explained that he had previously written to this local MSP about this matter.

Pete Cheema OBE explained that 'Your Cash' who were the main players had taken over most of the ATM machines. ATM providers had written to retailers indicating that due to rising costs the retailer would either be losing their ATM or losing their ATM commission altogether. The Scottish Government needed to look at this as the market place was now being cornered.

Linda Williams stated that the ATM machine at her store made no money at all but that they kept it purely as a convenience for their customers.

Jackie Baillie MSP suggested that ATM providers such as LINK, Your Cash and others should be called in to the Scottish Parliament to take questions and that maybe they should also appear before the CPG.

Pete Cheema OBE added that ATM business rates should be put on the Economy, Energy and Fair Work Committee for discussion.

Appendix A – Attendance List

MSPS	
Name	Company
Baillie, Jackie	
Lindhurst, Gordon	
Lyle, Richard	
MacDonald, Gordon	

MEMBERS	
Name	Company
Ashiq, Ferhan	Shads Supermarket LLP
Brown, Dan	Lothian Stores
Casonato, Joanna	Giacopazzis
Cheema, Pete	Scottish Grocers' Federation
Conway, Karen	C J Laing
Dobbie, Stewart	Scotmid
Doyle, Claire	Muller
Edgar, Gillian	Healthy Living Programme
Gordon, Mike	Scotmid
Harper, Jim	Scotmid
Harper, Sonya	Scotmid
Husband, Lucy	Scotland Food & Drink
Lee, John Dr	Scottish Grocers' Federation
Lynas, Matthew	Scottish Grocer
Majid, Abdul	Nisa Bellshill
Matuszek, Karina	Scotmid
McGarty, Luke	Scottish Grocers' Federation
MacDonald, Yvonne	Healthy Living Programme
McWilliams, Fiona	Camelot
Neil, Kathryn	Healthy Living Programme
Plant, Kevin	Scotmid
Scholes, Sarah	Scotmid
Smith, Colin	Scottish Wholesale Association
Williams, Dennis	Broadway Premier
Williams, Linda	Broadway Premier

NON MEMBERS	
Name	Company
Feeney, Katherine	Prostate Cancer UK
Hay, Cat	Food & Drink Federation Scotland
O'Riordan, Bronwyn	Prostate Cancer UK
Peattie, Karen	
Rybaczewska, Maria Dr	Stirling University
Sparks, Leigh (Professor.)	Stirling University