

Scottish Parliament Cross Party Group on Independent Convenience Stores

Approved Minute of meeting held on 19th November 2019

1. WELCOME AND INTRODUCTIONS

Richard Lyle MSP (deputising for the convenor, Gordon Macdonald MSP) welcomed attendees to the meeting including Gordon Lindhurst MSP, Jackie Baillie MSP and Stewart Stevenson MSP who were also in attendance and then outlined the main items of business. Apologies were received from Gordon Macdonald MSP.

2. APPROVAL OF PREVIOUS MINUTES AND ACTION POINTS

The Convenor asked for the approval of the previous minutes from the 17th September 2019 meeting. These were approved.

3. AGM: Election of Office Bearers

Gordon Macdonald MSP was re-elected unopposed as the Convenor.
Jackie Baillie MSP was re-elected unopposed as the Vice-Convenor.
John Lee (SGF) was elected unopposed as the Group Secretary.

4. RETAILERS AND THE PUBLIC HEALTH AGENDA

John Lee stated that convenience retailers – and the wider supply chain - had a key role to play in the implementation and development of policy in the public health agenda. He continued by saying that the meeting would hear presentations on 3 current policy areas which impacted directly on retailers. The following presentations were delivered:

The Scottish Government-SGF Health Living Programme (HLP)

Kathryn Neil, **Programme** Director gave a presentation which included the following key points: -

There are 2344 stores involved in the programme, 67% of these stores are situated in the lowest areas of deprivation in Scotland.

A sufficient amount of work has been done over the last year to profile the programme and make what we offer current and relevant to retailers and due to this we now works with all the major symbol groups within the convenience sector and work closely with these groups to offer discounted prices on fresh produce and other healthier products as per the guidance from Food Standards Scotland.

We recently commissioned a new purpose-built stand in May of this year and encouraged retailers to site this stand at till point or in the queuing system. We have seen reported average sales uplift of up to 45% of fresh produce.

We conducted a trial with the Margiotta's stores in Edinburgh and their aim was to increase their banana sales so they could justify buying direct from the banana wholesalers rather than using a 3rd party. Within in a week of siting our stand at the till point their sales across their estate jumped from 2082 to 4815 bananas giving a 131% increase which now enables them to purchase direct.

In 2016, HLP identified the potential link with the local convenience shop and the wider community of how we can educate children and adults into buying healthier products.

This was where the concept of our events began. The HLP run 2 different events, currently linking with the local primary schools. The week after our events:

- Stores have seen an average of **42%** increase in footfall AND
- An average Increase of **36%** sales of other Healthier Products

We have now spoken with over 15,000 pupils through these events.

Community engagement has now become key to running a successful convenience store and the HLP can be the steppingstone in creating the initial links.

The other main role that the HLP Team have is that they are required to visit and assess any shop, tea bar, hybrid, trolley or pop up shop which is situated in NHS hospitals in Scotland. The Healthcare Retail Standard was made mandatory in April 2017 where all outlets that sold grocery products in NHS settings must stock at least 50 % of their grocery items as a Healthier option and 70% of the drinks range must be sugar free.

Through the last two years the HLP team have gained a huge understanding in this criteria and are now fully experienced to advise these retailers on how the criteria can be met but also how the stores can continue to make a profit

SCOTTISH GOVERNMENT BEST START FOODS INITIATIVE

Tony McGale from the Promoting Prevention Team at the Scottish government Directorate of Children and Families presented on the Best Start Foods Initiative. The initiative replaces the Healthy Start voucher system and is focused around the use of a smart card to allow benefit claimants to buy staple foods.

The Making of a Policy:-

- The idea to include welfare foods was sparked from Smith Commission report and was allocated to DCAF
- Extensive public consultation
- Formulation of policy linking with other Government priorities
- Taking into account other changes to Government strategies
- Key research of the rates to use / the products to include
- Importantly what would make a difference for families
- Linking with Social Security Scotland Ethos

Payment Card:-

- Public Procurement of a card supplier
- Designed based upon the MasterCard Debit Card Platform
- Plain design to make it blend with other debit cards
- Provides freedom to citizens to shop wherever they can get good value for best start food products
- Supports retailers by reducing the bureaucracy of redeeming vouchers. Credit now at point of sale.
- Ensures that citizens can check their balance in a variety of ways and can retain funds to use over a period of time

The Difference Retailers will Make:-

- Launch of BSF and Transition of HSV's to BSF
- Increase the uptake across Scotland to secure income maximisation
- Educate families on the use of BSF products
- Support the other government food strategies
- Evaluate the project
- Ask and learn from development through to what could be better

REDUCING HEALTH HARMS – RESTRICTING FOOD PROMOTIONS BILL

Colin Baird, Creating Health Team Scottish government Population Health Directorate, presented on the legislative proposals to **restrict** the promotions of foods deemed to be high in fat, salt and sugar.

28% of adults are obese: **29%** of children at risk of being overweight, of which **16%** at risk of obesity.

Scotland has consistently failed to meet its dietary goals since they were set in 1996

Ambition to halve **child obesity** in Scotland by 2030: Aiming to significantly reduce diet-related **health inequalities**.

Key Outcomes: -

- 1) **Children** have the best start in life - they eat well and have a healthy weight
- 2) The **food environment** supports healthier choices
- 3) People have access to effective **weight management services**
- 4) **Leaders** across all sectors promote healthy weight and diet
- 5) Diet-related **health inequalities** are reduced

Proposals to restrict: -

Categories typically high in fat, sugar or salt, and yet provide little or no nutritional benefit
Confectionery; sweet biscuits; crisps; savoury snacks; cakes; pastries; puddings; & soft drinks with added sugar.

Consultation asked about ice-cream and dairy desserts.

What Now:-

- Case for mandatory action has been made
- Ministers will introduce a **Bill** in 20/21
- Looking to target **foods** including among other things, confectionery, cakes, crisps and soft drinks with added sugar
- Looking at **restrictions** including, among other things, multi-buys and positioning restrictions, such as at checkouts and front of store

5. QUESTIONS AND ANSWERS

The Convener then invited comments and questions.

It was pointed out that the Healthy living programme also had a role in retail outlet sin NHS hospitals. These outlets must ensure that 50%of their products are healthy. Kathryn Neil was asked if this had an impact on sales. She replied that some stores reported an initial drop on sales but that there was no long-term impact.

Tony McGale was asked if retailers were expected to police the best start initiative in any way. He replied that they were not and that essentially customers could use the card to purchase a range of different products.

Tony McGale was asked if this would not comprise the overall effectiveness of the initiative. He replied that the programme had to be based on the principles of fairness, dignity and respect and that essentially consumers had to be educated to make the right choices in terms of purchasing. A radio campaign was mentioned as a way of dealing with this educational need.

Colleagues from Scotmid highlighted the ongoing cost pressure eon convenience retailing. This included staff costs but also the cost of complying with legislation. Compliance can often mean

stores have to be reconfigured at significant cost – the tobacco display ban for example - and this would likely be the case if there were restrictions on where products could be placed, if certain product had to be removed from checkout areas.

There were several comments in relation to the significant raft of legislation being directed at the convenience sector and widespread concern expressed about how the industry could cope with this – there seems to be no joined up approach for government or any effective assessment of the impact on business.

Colin Baird responded to this by saying that through engagement with key industry stakeholders – such as the CPG – he and his colleagues were developing a greater understanding of the cumulative impact of policy and legislation on business.

Concern was expressed that any move to ban the placement of confectionery etc at checkout areas would have a very negative impact.

Colin Baird responded by saying that it was likely that a general principle of ‘no reasonable alternative’ would be used as a benchmark when looking at placement at checkout areas.

There was a strong view that in fact the government should be focusing on the out of home food sector (such as quick service restaurants) rather than on convenience. Colin Baird replied that food standards Scotland was developing an out of home strategy and that essentially the same restrictions will likely apply to this sector.

5. ANY OTHER BUSINESS

Pete Cheema (SGF) highlighted the SGF retail Crime Conference on 6th February and encouraged CPG members to attend.

6. DATE OF NEXT MEETING

John Lee informed the meeting that the dates for meetings in 2020 were not yet available but would be distributed at the earliest opportunity.

Appendix A – Attendance List

MSPS	
<i>Name</i>	
Baillie, Jackie	
Lindhurst, Gordon	
Lyle, Richard	
Stevenson, Stuart	

MEMBERS	
<i>Name</i>	<i>Company</i>
Ashiq, Ferhan	Shads Supermarket LLP
Cheema, Pete Dr OBE	Scottish Grocers' Federation
Edgar, Gillian	SGF – Healthy Living Programme
Gordon, Mike	Retail Consultant
Lee, John Dr	Scottish Grocers' Federation
MacDonald, Yvonne	SGF – Healthy Living Programme
Neil, Kathryn	Healthy Living Programme
Plant, Kevin	Scotmid
Rybczewska, Dr Maria	Stirling University
Smith, Colin	Scottish Wholesalers Association
Sparks, Prof Leigh	Stirling University
Wilson, Barrie	SGF – Healthy Living Programme

NON MEMBERS	
<i>Name</i>	<i>Company</i>
Baird, Colin	Scottish Government
Cherici, Valeria	NHS Health Scotland
Burns, Joanne	FDF Scotland
Doyle, Claire	Muller Milk
Fassen de Heer, Peter	Scottish Government
Fleming, Lianna	Mondelez
Harper, Jim	G101 Offsales Ltd
Lal, Hassan	NFRN
Lynas, Mathew	Scottish Grocer Magazine
Hislop, Claire	NHS Health Scotland
McGale, Tony	Scottish Government
Razzaq, Mo	NFRN
Stirling, Paul	G1 Group
Thomson, Graeme	G1 Group