



Llywodraeth Cymru  
Welsh Government

PUBLICATION

# Together for retail: a Wales Retail Forum action plan

How we will support the retail sector in Wales.

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# Foreword

The **Shared Strategic Vision for the Retail Sector** (Vision) describes this government's ambition to work in social partnership to continue to build a more resilient retail sector that delivers for communities, business and workers. Social partnership is a tried and tested way of working in Wales that enables us to develop shared approaches to collective challenges and opportunities. Bringing partners together builds trust, fosters understanding and helps us resolve issues in ways that deliver benefits for everyone.

This vision for the retail sector reflects our ongoing dialogue within and about the sector and our close working relationship with social partners and stakeholders. The Welsh Government's understanding of the importance of the retail sector to our economy and society is firmly embedded and will be reflected in future policy development. We remain committed to an ongoing conversation, through the Retail Forum, to shape our response to current and future challenges and opportunities.

This Retail Action Plan (Plan) builds on the Forum's publication of its shared strategic vision and comes at a time when the sector faces considerable change affecting business operations, the workforce, consumer behaviours and the broader economic context and outlook. Overlaying those issues are the headwinds of a cost-of-living and cost-of-doing-business crisis, with all the uncertainty that brings.

Whilst this Plan sets out practical actions we will take, it does so against a volatile and changeable context which will require us to remain agile and responsive to evolving circumstances. That is why, we will keep the actions in this Plan under review, planning measures over the next two years as we continue to engage the Retail Forum and other industry partners and stakeholders to better understand the pressures facing retail businesses and workers and in developing appropriate responses.

We do not pretend this Plan contains all the answers, but we do expect it to contribute to helping the Welsh retail sector to withstand the immediate challenges ahead and to face the future with greater confidence.

Signed by:

Minister for Economy, Vaughan Gething MS

Deputy Minister for Social Partnership, Hannah Blythyn MS

In partnership with members of the Retail Forum.

## Section 1: Introduction

The **Shared Strategic Vision** for the sector, launched in 2022, outlined the hugely important contribution the retail sector in Wales makes to the economy and to Welsh communities. It plays an important part in progressing the Welsh Government approach to building a well-being economy, which aims to measure the economic health of our nation through the lens of how fair (**A guide to fair work**), environmentally sustainable and resilient the sector is.

The Plan brings together key actions which contribute towards achieving the vision. It also acknowledges the retail sector is multifaceted and requires a social partnership (social partnership is a Welsh way of working, bringing together government, business, and trade unions to tackle the challenges we face and improve outcomes for the people of Wales) approach where government, retailers and trade unions work together.

The retail sector is the largest private sector employer in Wales (the health sector employs more people but it has been assumed that a large proportion of health employment is in the public sector), providing jobs to 139,000 people in 2021 (employment in the retail sector is sourced from ONS' Business Register

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and Employment Survey (BRES) an annual business survey. This source is able to provide data at the relevant industry level to suitably describe the retail sector. BRES includes those who are employed and self-employed), contributing 5.7 per cent of Welsh economic output (Gross Value Added) in 2021 and a quarter of the Non-Domestic Rates tax base in Wales in 2023, all of which demonstrates its importance to the economy in Wales. The sector is instrumental in providing employment opportunities, is critical for the future vitality of our town centres and is recognised for the valuable contributions small convenience stores make in our rural communities by providing other essential services (Association of Convenience Stores: The Welsh Local Shop Report 2023).

The retail sector is experiencing a period of significant challenge and change, affecting every part of the sector, its workforce, and customers. The scale and pace of these issues is such that this Plan targets key actions which can be delivered or substantially progressed within the next two years. The context in which the retail sector operates does not stand still and nor must this Plan. That is why we commit to evaluating the impact of the Plan at the end of this two-year period and to refreshing its ambitions and actions as appropriate. This will help keep the Plan relevant, robust, and realistic.

The Plan does not operate in isolation from our wider values and work across the Welsh Government. That is why the Plan complements work to transform our town centres, support businesses to transition to net zero, facilitate skills development and deliver business rate support.

## Section 2: Key actions

The main focus of this Plan is to organise the sector around the delivery of actions aimed at improving the prospects of the retail sector and those who work within it. The Plan will be revisited at the end of two years to assess progress and to reflect on the suitability of the actions, to ensure they are keeping pace,

reflecting the current issues impacting the retail sector and taking account of the economy.

The Plan identifies key actions against the three key pillars identified in the Shared Strategic Vision - People, Place, Resilience - and identifies measures to help assess the impact of these actions, their outcomes, and their effectiveness in progressing the Shared Strategic Vision.

The key actions reflect what government and partners can practically implement in the light of the resources and levers they have available and within the timescale set in the Plan.

The impact assessment for this Plan identifies further work we and social partners will need to do and this is why a commitment to review and evaluate, along with other measures to undertake more research are included in the Plan.

## **Case study: IKEA and skills for employment**

IKEA has been leading the way to develop opportunities to integrate refugees into the workforce. The UPPNÅ Skills for Employment program works in strong partnership with Refugee Council Hubs across the UK and in Ireland to offer refugees in the local community support, advice, and a place to come together.

From Syria to Ukraine, IKEA has found ways to bring refugees into employment. Through this refugee-focused up-skilling and work programmes, those seeking support can access a range of services, including CV writing, job application support, interview techniques and customer service training, as well as an introduction to IKEA's culture and values, and understanding Wales' and the UK's labour market.

In the past year, IKEA Cardiff has provided products and support from the store to transform the Welsh Refugee Council Hub. A team of more than 30 IKEA co-

workers spent two weeks upgrading the space, with the reception area, counselling rooms, kitchenette, offices, and toilets all receiving a makeover.

All of this has transformed the lives of people getting into work and forging a new life while giving back to society and brings IKEA's own mission to life by supporting a better everyday life for the many people.

## **Pillar 1: People**

### **Vision:**

- Retail becomes synonymous with fair work for all.
- People can have good and secure careers in the sector, within a fair work environment.
- Retail adopting social partnership as a preferred way of working.

### **Anticipated outcomes:**

- More retail workers are in a trade union and are covered by contractual arrangements which provide greater security of employment, working hours and income.
- More retail businesses are members of a relevant trade or business representative organisation.
- Fair work principles are embedded across more of the sector and a greater number of workers are fairly rewarded.
- More retail workers are supported to develop their skills and a clear pathway to develop retail careers is promoted and understood.
- The sector champions workforce equality, diversity and inclusion at all levels.
- Retailers in Wales understand the benefit of and agree to be part of the

## Economic Contract and Code of Practice on Ethical Employment in Supply Chains.

### Actions:

1. Develop a communications plan that promotes the retail sector, the careers available within it and the benefits of retailers being a member of a relevant trade or business representative organisation
  - Action owners/contributors: Welsh Government/ Business Representatives Organisation
2. Develop a communications plan that raises awareness of the role of trade unions and promotes the benefits of retail workers joining a trade union.
  - Action owners/contributors: Welsh Government/ Trade Unions
3. Work with Cynnal Cymru (the Living Wage Foundation partners in Wales) to explore options for promoting the Real Living Wage to the retail sector.
  - Action owners/contributors: Welsh Government/Retail Forum
4. Produce guides on wellbeing, equality, diversity and inclusion for the sector, signposting to existing resources (e.g. [Equality, diversity and inclusion | Retail Trust](#) ) and best practice case studies.
  - Action owners/contributors: ACS/WRC
5. Promote availability of Welsh Government Schemes – such as Public Health Wales' advice on mental health and fair work.
  - Action owners/contributors: Retail Forum/TUC
6. Raise awareness of the opportunities for careers in retail, support the development of a skilled workforce using existing Welsh Government schemes such as Personal Learning Accounts and the Flexible Skills Programme and share workforce development best practice from across the sector.
  - Action owners/contributors: Retail Forum/ Welsh Government
7. Promote awareness and uptake of Welsh Government employability schemes to raise employment levels across the sector e.g. Through the Working Wales gateway and Young Person's Guarantee activity.



- Action owners/contributors: Welsh Government and Retail Forum
- 8. Use the Young Person's Guarantee communication channels, particularly social media, to raise awareness of the breadth of career opportunities in the retail sector.
  - Action owners/contributors: Retail Forum/Welsh Government
- 9. Map out the training and skills offer in the sector and assess its suitability.
  - Action owners/contributors: Welsh Government /Retail Forum
- 10. Commission a literature review or research to better understand equality and diversity barriers to people employed in retail.
  - Action owners/contributors: Welsh Government and Trade Unions
- 11. Encourage and promote Social Partnership working.
  - Action owners/contributors: Welsh Government, Retail Forum and Trade Unions
- 12. Business Wales to provide access for retail businesses to a wide range of relevant signposting, information, guidance and business support through the Business Wales Helpline and digital channels.
  - Action owners/contributors: Welsh Government/ Retail Forum
- 13. Business Wales to provide dedicated support to retail businesses to help them start and grow their businesses, including general business advice, equality and diversity, resource efficiency, skills, procurement, mentoring and digital exploitation.
  - Action owners/contributors: Welsh Government Welsh Government/ Retail Forum

## **Case study: Marks and Start, breaking down barriers to work, turning around people's futures**

Luna Cummings is one of 250 new recruits set to embark on a new career with Marks & Spencer following a four-week placement via the **Marks and Start Programme**.

Marks and Start is part of M&S' partnership with The Prince's Trust and designed to support skills development and create new job opportunities across the UK. Luna is one of more than 10,000 young people who have completed the Marks & Start programme since 2013.

Luna is a transwoman who had struggled with confidence and talking to people from a young age. She applied to the Marks and Start programme as she hoped it would give her an opportunity to learn new skills, develop in retail and hospitality, and build her personal confidence.

She said:

“ I applied for the Marks & Start programme as I was coming out of a very dark place, and I am so grateful that I did. I feel one hundred times better than before and it's because of the acceptance felt in this Programme.

“ I'd previously worked in hospitality so was excited to be given a placement in the M&S café in the Culverhouse Cross store after being accepted. Whilst it was busier and more over-whelming than previous cafes I'd worked in, I quickly became more confident and within a few weeks was happy to chat to customers as I cleared their tables and helped them with any requests. Towards the end of my placement, I was given training on how to make coffee. I was nervous to do this, but after I started receiving compliments on the coffee I'd made – I felt very proud.

“ As a transwoman, I am thrilled to have found a place I can be myself – the real Luna. For this reason, I would recommend the Marks & Start Programme to anyone else struggling to get into employment or find a place they can grow in work. ”

## Pillar 2: Place

### Vision:

Embedding the Town Centre First policy, in Wales' national development plan Future Wales.

### Anticipated outcomes:

- Reduce vacant premises in our town centres.
- Increase footfall into retail premises in Wales.
- Reduce the overall cost of non-domestic rates for eligible businesses in the retail, hospitality and leisure sectors in 2023.
- Adoption of Town Centre First policy in planning, with permissions bringing forward policy aligned developments.

### Actions:

1. Deliver commitments outlined in **Future Wales** in 2021: Support actions identified in the Town Centre First policies, including encouraging the location and relocation of public services into town centres.
  - Action owners/contributors: Welsh Government
2. Strengthen the implementation of the Town Centre First policy in planning and empower local planners to refuse developments which do not meet the policy and to propose new plans for the adaptive reuse of out-of-town developments.
  - Action owners/contributors: Welsh Government/Retail Forum
3. Continue supporting businesses through rates relief including:
  - Freezing of the non-domestic rates multiplier for 2023-24

- Opening a scheme to support the transition of ratepayers facing increased rate liability in 2023-24 because of the 2023 revaluation.
- Provision of non-domestic rates relief to eligible business in the retail, hospitality, and leisure sectors in Wales. Eligible businesses will receive 75% non-domestic rates relief for 2023-24.
  - Action owners/contributors: Welsh Government
- 4. Work with retailers with large car parks to explore ways of using these spaces for community use/other uses and share best practice.
  - Action owners/contributors: Retail Forum
- 5. Promote case studies and lessons learnt from chain retailers that have helped the long-term sustainability and growth of town centres.
  - Action owners/contributors: Retail Forum
- 6. Support and encourage existing retail partnerships such as BIDS, Chambers of Trade and WRC to work more collaboratively to promote town centre/high street events and promote “Every Town is a Market Town” and local markets.
  - Action owners/contributors: Local authorities
- 7. Support local authorities in identifying vacant premises and match businesses to them or encourage their use for community or other worthwhile purposes.
  - Action owners/contributors: Welsh Government/Local authorities
- 8. Support retail businesses to increase their digital offer and use available town centre data to improve trading performance and town centre vibrancy. This could include promoting town centre shopping apps and wayfinding apps.
  - Action owners/contributors: Welsh Government/Smart Towns Programme/BIDS/ Collaborative Business Groups

## **Case study: Trudy Davies, Owner, Woosnam and Davies News, Llanidloes**

Trudy Davies, owner of Woosnam and Davies News in Llanidloes started

working for an independent retail shop when she was 17, Trudy went on to own her own business which has grown to be central to the community in the mid-Wales town and has been recognised with multiple awards from across the sector and among community interests.

Trudy has always been passionate about the wellbeing of individuals and the community around her.

“ The people and businesses in Llanidloes are like a patchwork quilt and I see my business as one of those patches. Small retail businesses like mine are much more than places to buy things. They are meeting points, places meet with neighbours, centres for organising events and for helping deliver community services that are important to people. We are always looking out for regular customers and their welfare. We’re often the first to notice if someone hasn’t been seen for a while and we check on them or look out for them. ”

Woosnam and Davies News is at the centre of many local initiatives. Whether delivering locally, supporting the work of her local Royal British Legion Branch, installing a vape recycling point at her premises, instituting a jigsaw swap or purchasing and donating Wales’ first 24/7 Bleed Control Kit within her community.

“ Retail can be tough at times and our high streets and towns are very challenged and need to be supported. I depend on everyone and every business around me and we need vibrant business to bring the jobs which will keep people within their communities and help support them. Small local retail businesses often support other businesses within trade professions and other local suppliers. ”

## Pillar 3: Resilience

### Vision:

- Ensuring retailers of all sizes are prepared for the move to net zero is a key priority in realising our vision for the sector.
- As far as practicable, retail premises should be used to promote Biodiversity.
- This increase in retail crime is damaging to the sector and the wellbeing of the workforce.

### Anticipated outcomes:

- Retail sector moves at pace towards achieving net zero with more than 50% of premises in Wales at net zero before 2030.
- Workers in the retail sector can work without fear of abuse or violence, with reported incidents declining year-on-year.
- Retailers meet their obligations on accessibility and meet all consumers' needs.
- Retail supply chains are ethical and responsible and where possible shortened to reduce the sector's global foot print.

### Actions:

1. Explore options to support small business premises to utilise renewables and decarbonisation initiatives such as:
  - retrofit doors on fridges and freezers to reduce carbon footprint
  - replace lighting to utilise LED lighting
  - install insulation/draught proofing measures to save energy costs.
  - install solar and/or heat pumps (ground or air source) where possible.

- utilise electric vehicles where possible.
  - Action owners/contributors: Welsh Government
- 2. Raise awareness of disability and other access issues in the retail environment and share best practice to enable collective action to resolve these.
  - Action owners/contributors: Retail Forum/Welsh Government
- 3. Promote the “Be Kind” campaign in retail to create a better working environment for employees. Consider wider research to understand consumers’ attitudes towards retail workers.
  - Action owners/contributors: Retail Forum/Welsh Government
- 4. Develop resources to raise awareness of renewables and decarbonisation initiatives, including considering a green street project in Wales and a retail park energy generation pilot.
  - Action owners/contributors: Retail Forum/Welsh Government
- 5. Produce and publicise case studies of best practice actions the sector has taken to decarbonise.
  - Action owners/contributors: Retail Forum/Welsh Government
- 6. Work with the sector and other stakeholders such as the police, Business Improvement Districts and local councils to establish more business crime partnerships and initiatives and promote campaigns to cover retail crime to raise awareness with the general public and smaller businesses.
  - Action owners/contributors: Retail Forum/Welsh Government
- 7. Provide best practice examples of what businesses can do to help employees with the cost-of-living crisis.
  - Action owners/contributors: Retail Forum/TUC/Welsh Government
- 8. Support delivery of the **Retail and Foodservice Plan** to provide support to food retailers. Develop partnership programmes with major food retailers/ foodservice providers promoting Brand Wales and Welsh Food and Drink sector.
  - Action owners/contributors: Welsh Government/Retail Forum
- 9. Share information as the deposit returns scheme develops. The scheme will tackle littering, encourage recycling, and could provide footfall when

customers return containers.

- Action owners/contributors: Retail Forum/Welsh Government

10. Undertake research to understand how best to target consumers to return to the town centre. Develop measures to promote the message to shop locally and to support use of the Welsh Language in the sector.

- Action owners/contributors: Retail Forum/Welsh Government

## **Case study: Building resilience in the retail sector**

Asda has reduced its carbon impact by c.175,000 tonnes after moving to trucks fuelled with bio-gas at its Chepstow depot, and plans to roll out electric home delivery vans across the Asda fleet.

### **Decarbonising delivery operations**

Asda already operates the largest bio-gas fleet in the UK with 575 trucks, and aims to operate almost 1,000 trucks and launch a further 10 biogas stations by 2024. These trucks are in use across 42 national distribution operations including from the Chepstow depot, which already has a bio-gas station and delivers to 45 stores within Wales.

Asda is also transitioning home delivery vans from diesel to electric. The business aims to convert all over 3,000 delivery vans to battery by 2028, with parallel capital investment in charging points at stores. These vans will be used for home shopping deliveries each day across the UK, which includes deliveries in Wales.

Boots as the UK's largest health and beauty retailer, recognises its responsibility to reduce waste and support consumers to adopt more sustainable lifestyles. In September 2020, Boots launched a new takeback scheme: Recycle at Boots, to make it easier for customers to give a second life to hard-to-recycle health and



beauty packaging such as lipsticks, mascaras and toothpaste tubes.

Recycle at Boots is available in 700 stores including over 30 stores throughout Wales, making it the most accessible scheme of its kind. The scheme uses a pioneering app based Scan2Recycle technology to track customer behavior, increase transparency and reward users.

Customers are encouraged to return hard-to-recycle items - including packaging and containers not purchased at Boots - to in-store recycling bins. A deposit of five empty containers rewards customers with 500 Boots Advantage Card points when they spend £10 in a participating store: a win-win solution that helps the environment and rewards customers for doing the right thing.

Since the scheme's launch, over 1 million items have been deposited by 45,000 registered users, resulting in 20 tonnes of hard-to-recycle product packaging and containers being recycled that might otherwise have ended up in landfill.

Recycle at Boots provides a scalable takeback solution for hard-to-recycle materials that cannot easily be collected by local councils and Boots is partnering with other retailers and brands to promote the scheme and raise consumer awareness.

## **Section 3: Monitor and evaluate**

The key actions identified in this Plan will be monitored for completion and evidence will be gathered, utilising official releases, industry collated evidence and primary research. These combined sources will help us to assess progress. The Plan will be evaluated after two years, with the primary focus on assessing if the delivery and impact of key actions and to inform next steps for the sector.

The Welsh Government acknowledges there are gaps in available Wales level data to enable a full understanding of all the themes explored in the Plan, and that it does not possess all the levers needed to make large scale change. This Plan focuses on actions which can be delivered through a social partnership approach, to improve the experience of work, support retailers, and contribute to the resilience of the sector. These resources along with other forms of evidence will contribute to supporting our ability to evaluate the Plan's impact.

## People:

One of key measures for People in the sector is employment. This high-level measure shows how many are employees or self-employed in the sector. The current data for 2021 shows retail has employment of 139,000 (BRES 2021), a larger number than in manufacturing in Wales (137,000). The majority (58%) in retail were part time employees. Employment in the sector has also been growing, up 15.8% on 2020 and up 10.3% on 2019.

To supplement employment, average earnings can be used. The standard measure for comparisons of earnings from work is average (median) gross weekly earnings for full-time employees. This was £433.4 in 2022, up 5.0% on the year before. The gross weekly earnings for full-time employees in the retail sector in Wales for 2022 were higher than in Arts, entertainment and recreation (£410.0) and Accommodation and food service activities (£412.2). However, it is lower than Agriculture, forestry and fishing (£496.8), Administrative and support service activities (£515.0) and Manufacturing (£632.7).

In 2022, there were estimated to be 32,800 people in Wales who were 18+, in employment on permanent contracts, or on temporary contracts and not seeking permanent employment who were earning at least the Real Living Wage (£10.90) in retail (Based on Welsh Government analysis of the Annual Population Survey (APS)). This is estimated to be around a third (33.4%) of the people who work in retail in Wales. The UK equivalent share of its retail

workforce earning at least the Real Living Wage was slightly higher, at 40.1%.

Other measures relating to People will be investigated to be potentially used in updates to the plan. These include the sector's employment by gender and trade union density, presence and coverage.

## **Place:**

A key measure of the economic value of the sector is Gross Value Added (GVA). This is essentially the sector's output less the value of goods and services bought in. It therefore shows the additional value the sector provides. The retail sector's GVA in Wales was £3.955 million in 2021, up 8.0% on the year before but down 0.3% on 2019. This represents 5.7% of the total GVA in Wales, a relatively larger share than in Scotland (5.2%) and the UK (5.0%).

Another retail measure which can be tracked is the number of active enterprises. Active enterprises are those enterprises that had either turnover or employment at any time during the reference period. Generally, an increasing number reflects the relative economic vibrancy and entrepreneurialism of a sector. The number of active enterprises in Wales was 9,870 (this excludes enterprises without PAYE schemes or with turnover below the VAT threshold) in 2021, up 5.6% (525) on 2020. To track how the sector is faring, and why the number of active businesses may be changing, supplementary measures such as the number of business births and deaths can be shown. These show that businesses births in retail were 1,540, up 35.7% (405) on 2020. Deaths were 1,010, down 5.2% (55) on 2020. That births in 2021 was so much higher than 2020, may reflect that 2020 and 2021 may have been an unusual period for the economy. This trend will be monitored in further updates.

Other measures which will be investigated to potentially supplement the retail action plan monitoring will be the proportion of businesses as Micro/SMEs, their employment and turnover, as well as occupancy rates and footfall.

## **Resilience:**

Most of the measures under Resilience are more qualitative in nature and so do not lend themselves to be represented with data. However, the Welsh Government will look to undertake work to try and help to explore the retail sector's baseline or how it is faring with regards to our Resilience actions.

The Welsh Government is currently exploring the ability to show Green House Gases (GHG) by sector. If this work is successful, then an update to this plan may include the retail sector's GHG. In addition, the Welsh Government will potentially look to undertake further research with a view to providing more insight into the actions and issues highlighted under the Resilience pillar.

## **Case study: Tenby Stores and Post Office, supporting their community**

Fiona and Vince Malone run Tenby Stores and epitomise the contribution that small retailers make in communities across Wales. Convenience stores in Wales have invested over £38 million annually in improving their stores. Fiona and Vince took over the stores in 2015 and consistently invested in the range of services on offer, moving from a standalone Post Office to an award-winning convenience store.

They employ 14 people from the local community to provide essential goods and services including fresh food from local suppliers. Tenby Stores' Post Office is the main means for the community to access banking services and other important services like parcel collections.

81% of convenience stores engage in community activities across Wales and Tenby Stores is leading the way. Fiona and Vince's store is at the heart of the

community, which is demonstrated by their support of a range of local charities. They go the extra mile for their customers by offering home deliveries to vulnerable customers, providing dementia awareness training for their staff and have raised funding for the community to have access to a defibrillator.

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