**Email: Ministerial Office** **secretary.state@beis.gov.uk**

X January 2021

Rt Hon Kwasi Kwarteng MP

Department for Business, Energy and Industrial Strategy

1 Victoria Street

London

SW1H 0ET

Dear Secretary of State,

I am writing to set out our concerns about proposals to restrict promotions of high fat, salt and sugar (HFSS) products by location in shops in England and the impact it will have on the small independent retail businesses we supply. We urge you to engage with the Department for Health and Social Care (DHSC) and encourage them to exempt all shops under 3,000sqft from the location restrictions policy.

***[your business information]***

*Insert business information; size of business, name of symbol group you operate if applicable, number of shops you supply*, *shops run by small independent retailers impacted*

**[businesses in scope - symbol group]**

For determining businesses in scope of location restricts DHSC are attempting to include small independent retailers over 2,000sqft because of their supply agreements with us. The inclusion of ‘symbol group’ retailers within the regulations demonstrates a lack of understanding by Officials about the nature of these contracts and their purpose.

*Give examples of the range/ diversity of supply agreements you have with retailers for example: “The supply agreements we have with our retail customers do not impact their operational independence. While we provide advice to retailers on ranging and promotions, they make their own decisions about the layout of their stores and products they promote to their customers.*

***[Impact on SMEs]***

The costs associated with complying with the new regulations will fall on small independent retailers.

*Describe how many businesses you supply will be impacted and the costs that retailers will face such as; data on* *cost and operational burden of refitting stores, moving product lines, staff time to interpret regulations and assess new products in scope.*

***[Defining Small Business]***

In all other policy and legislative contexts, the small retail businesses we supply are considered micro or small businesses. For example, they receive small business rates relief, they are exempt from recording the number of plastic carrier bags issued and they can benefit from HMRC small business tax thresholds. We strongly urge the DHSC to review this approach and instead use a 3,000sqft size threshold exemption for retail outlets. The 3,000sqft threshold is widely understood by retailers and the enforcement community.

***[timeframes for implementation]***

The stores we supply are essential businesses that have continued to trade throughout the pandemic providing essential goods and services to communities. The implementation of location restriction will cause significant disruption to their store operations and divert investment away from growth, job creation and serving the community. Implementing this policy by April 2022 in the current economic climate is unfeasible and needs to be extended to at least April 2023.

**[invite for further discussion]**

As the champion of industry within government we hope that you and your officials will be able to alert DHSC to our concerns. We would be happy to facilitate a visit to a shop in your constituency so you can see first-hand the challenges we face. Please contact my office directly *on email and phone number*.

Yours Sincerely,

CEO