

25th February 2021

Rebecca Lowe
Labour Markets
Department for Business, Energy and Industrial Strategy
1 Victoria Street, London
SW1H 0ET

Dear Rebecca

We welcome the opportunity to respond to the Department for Business, Energy and Industrial Strategy consultation on extending the ban on exclusivity clauses in employment contracts. ACS represents 33,500 local shops and petrol forecourts including Co-op, McColls, BP and thousands of independent retailers, many of which trade under brands such as Spar, Nisa and Costcutter.

Exclusivity clauses are rarely found within the contracts of shop floor convenience store colleagues. These clauses are instead more commonly found within contracts for senior positions within head office functions. ACS' Colleague Survey finds that only 5% of employees have a second job. Retailers from across the sector report this is often colleagues taking on work in the local shop as a second job, rather than pursuing work elsewhere due to dissatisfaction with the number of working hours provided within the sector.

Convenience store work is an exemplar of genuine two-sided flexibility, allowing colleagues to adjust their hours and retailers to manage peaks in labour requirements. Part-time working has always been present as most colleagues (72%) have external commitments, for example childcare or study, which can restrict the number of working hours they can undertake. ACS' Colleague Survey finds that 20% of staff would like to work more hours, while 19% would like to work fewer. Convenience retailers have reduced working hours per store as one of several measures to mitigate consistent above-inflation rises in the National Living Wage. This may mean fewer additional hours can be offered in some stores where there is limited staff turnover, but this is viewed as preferential to redundancies and lost jobs. Colleagues voluntarily leaving their jobs in the sector can minimise the loss of working hours.

We do not oppose extending the ban on exclusivity clauses to the lower earnings limit. The move could lead to a larger pool of applicants for new jobs within convenience stores. The employment tribunals system could provide appropriate redress for employees if the extended ban requires enforcement. We do emphasise the need for information and good practice guidance to raise awareness and address inadvertent avoidance.

We are committed to working with you as part of this consultation and would welcome the opportunity to discuss in more detail. For more information, please contact steve.dowling@acs.org.uk.

Yours sincerely



James Lowman
Chief Executive