

Hospitality Sector Council
9 September 2024 Meeting Minutes

1. Attendees

Co-Chairs:

Gareth Thomas, Minister for Services, Small Business and Exports

Karen Jones DBE, Pioneer Hospitality

Attendees:

Minister Justin Madders, Minister for Employment Rights, Competition and Markets

Andy Slee (Society of Independent Brewers (SIBA)), Emma Heal (Lucky Saint), Emma McClarkin (British Beer and Pub Association (BBPA)), Jane O’Riordan (Caravan, Flight Club, Turtle Bay), Joe Carberry (Deliveroo), Kate Nicholls (UK Hospitality), Nick MacKenzie (Greene King), Shamil Thakrar (Dishoom), Simon Emeny (Fullers), Steve Alton (British Institute of Innkeeping (BII)), Tim Doubleday (Burger King), Will Beckett (Hawksmoor)

Officials in attendance:

Officials from DBT and DCMS

Apologies:

Alex Reilly (Loungers), Andy Hornby (Restaurant Group), Brian Perkins (ABinbev), Jane Holbrook (Côte), Nick Summers (The Nationwide Caterers Association (NCASS)), Nisha Katona (Mowgli), Rich McGinnis (Circus), Rob Pitcher (Revolution), Sarah Warby (Nando’s)

2. Summary of actions

Action	Owner
DfE and DWP Ministers to be invited to attend HSC to discuss jobs and skills opportunities	DBT

3. Note of discussion

a) Welcome

Karen Jones welcomed members and gave apologies for those that were unable to attend.

Karen Jones welcomed Co-Chair Minister Gareth Thomas, Minister for Services, Small Business and Exports, as well as Minister Justin Madders, Minister for Employment Rights, Competition and Markets.

Members introduced themselves to the Ministers.

b) Introductory remarks

Minister Thomas provided introductory remarks during which he:

- Noted concerns raised by the sector, including on the Apprenticeship Levy, cost pressures and access to finance
- Reassured members of the Government's commitment to working with businesses and welcomed further conversations on these issues.

c) Introduction to the hospitality sector

Karen Jones spoke of the importance of the hospitality sector for creating places where people want to work, live and invest. She emphasised the sector's desire to collaborate and work with Government to help it achieve its missions, particularly on growth, opportunity for all, and safer streets.

Karen highlighted the career and skills building opportunities the sector can provide for people from all different backgrounds and how changes to the Apprenticeship Levy would allow the industry to offer further opportunities and the right training to address skills and labour shortages in the sector.

Karen stressed that the sector is still recovering from the impact of the Covid-19 pandemic and subsequent economic shocks. Karen spoke of the need to discuss the burden of regulations and business rates on the sector, access to finance, as well as views around certain Make Work Pay proposals.

Karen discussed how the hospitality sector can be a significant engine for growth and the sector would like to work on a refreshed Hospitality Strategy that feeds into the UK's Industrial Strategy to help achieve this.

d) Building on the government's missions: contribution that hospitality can make

Karen invited members to share their views on how the Council could collaborate with Government to deliver its missions.

Members saw opportunities for the sector to contribute to objectives of economic growth and employment rates. However, they reiterated that many hospitality businesses are still struggling post the pandemic, with limited cash reserves and rising operating costs that have dramatically reduced profit margins. They warned this is impeding investment and growth and leaving businesses fragile to further shocks.

Members said improving access to finance and reforming the business rates system would help alleviate pressure and drive forward investment.

Members also highlighted the opportunities the hospitality sector provides for social mobility, offering a place for people of all backgrounds to gain valuable skills and experience, as well as career progression prospects. Members discussed how changes to the Apprenticeship Levy would enable businesses to improve their training offer and provide more opportunities.

e) Make Work Pay

Minister Madders restated the Government's desire to work with businesses to ensure what they deliver works for businesses as well as the people in this country. He recognised the importance of the hospitality sector to the economy and assured members that Government would continue to engage with businesses. Minister Madders then invited members to share their thoughts on Make Work Pay proposals.

Members spoke of the importance of staff wellbeing and how this translates to better service and retention. They shared examples of work being done by their businesses to attract and retain people, from focusing on wellbeing to offering employee benefits and providing training and progression opportunities.

Members expressed support for Make Work Pay proposals but pointed to the seasonality of the sector and how offering flexibility benefits not only businesses, but also its people. Members raised views around the potential impact of some of the proposals, including zero hours contracts and having a twelve-week reference period, day one rights, and rising labour costs.

Members highlighted that hospitality provides opportunity to people of all backgrounds, and they are keen to work with Government to ensure these proposals continue to provide this opportunity.

f) Closing remarks and AOB

Karen Jones thanked Ministers and members for their time.

Date of next meeting

The next quarterly Council meeting is scheduled for 3rd December 2024.