

Beyond shrinkage: Tackling the impact of retail crime

22 July 2025 A Caroline Green

Barely a week goes by without a headline on the topic of retail crime and violence against shopworkers. Whereas retail crime was once a shrinkage issue that retailers could factor into their plans, a survey by the Retail Trust for the British Retail Consortium (BRC) earlier this year found that the overall cost of retail crime had reached "a colossal £4.2 billion, of which £2.2 billion is a direct result of customer theft".

Police-recorded shoplifting in England and Wales reached an unprecedented 516,971 offences in 2024, and the BRC estimates that abuse or violence is directed at shopworkers more than 2,000 times every single day – a 50% annual increase. As many crimes go unreported, the actual numbers are likely to be far higher.

In this briefing we look at the measures being introduced by the Government, the approaches being adopted by retailers large and small, the measures brands should take to protect employees and their inventory and the legal issues that need to be considered.

In mid-July, the Government reiterated its commitment to take a harder line on retail crime, promising additional investment in policing and on intelligence sharing. This follows the <u>abolition of the £200 "low-value shop theft" threshold</u> – long criticised for discouraging police attendance - and the introduction of a new, stand-alone offence of assaulting a retail worker <u>which is expected to become law later this year</u>. Penalties for this type of assault will mirror those for assaults on emergency workers, signalling a zero-tolerance stance on abuse, threats, or violence toward anyone carrying out retail duties, from cashiers to delivery drivers.

Recognising that legislation and police resources will stretch only so far, retailers are adopting a range of approaches to tackle the problem.

Larger retailers with large store portfolios are deploying a range of tech solutions including:

- Upgraded CCTV linked to artificial-intelligence analytics for anomaly detection.
- · Body-worn cameras.
- Use of live facial recognition to spot banned or high-risk individuals on entry.
- **Electronic article surveillance**, time-lock safes for high-value goods, and panic-button integration with town-centre CCTV control rooms.

One chain has reported an 11% drop in violence and a measurable reduction in shrinkage after adoption of body-worn cameras, but the adoption of tech solutions needs care. <u>Data privacy issues need to be taken into account</u> and data privacy impact assessments undertaken for the deployment of each solution. It is also important to follow legal updates as the <u>Justice and Home Affairs Committee has been actively considering the legality of Live Facial Recognition technology</u>.

It is also important that retailers consider the impact of technology on their staff. One retailer reported a reluctance by store staff to adopt body-worn cameras believing that it would increase the risk of violence; after training sessions designed to showcase the cameras, adoption rates increased significantly. Training and risk assessments over the use of technology are also essential to protect staff. But tech solutions should not be seen as a panacea for retail crime. People considerations must come first and comprehensive training around staff safety, data protection principles and wellbeing support must be front and centre of any retailer's plan.

Also, cutting-edge tech solutions may not be affordable for smaller retailers who are adopting two-guard staffing models in higher-risk branches and locked-door or controlled-entry policies.

One solution that all retailers should consider is collaboration and data sharing. Project Pegasus – initially bank-rolled by a consortium of major chains – received a £5 million Home Office grant at the end of 2024. It enables retailers to feed CCTV images of suspects directly into national police databases, accelerating the identification of organised gangs. While Auror, a cloud-based platform endorsed by the Home Office, allows stores and constabularies to share real-time watch-lists of prolific offenders, creating a national "wanted board" on every security guard's handheld device. For retailers without substantial resources, subscription-based services such as Business Crime Reduction Partnerships and the National Business Crime Solution enable businesses to share information and best practices to combat crime effectively. Using a recognised platform or service also enables safer exchange of personal data.

As a minimum, all retailers should:

- Embed dynamic risk assessments, updating store-level threat profiles on a quarterly basis and whenever a serious incident occurs.

 This is not just good HR practice, insurers are increasingly insisting on documented assessments as a prerequisite for cover.
- Train their staff. While tech solutions can deter, well-trained, confident colleagues deter more. Communicate with staff to understand and address their concerns and design training plans that speak to these concerns. Scenario-based robbery and first-aid drills, combined with clear "no heroics" policies, reduce both injury rates and liability exposure.
- Provide staff wellbeing support through employee-assistance helplines and fast-track counselling to mitigate trauma.
- **Design out crime** by aligning merchandising and store-layout decisions with loss-prevention principles: clear sightlines, secure positioning of targeted SKUs, anti-sweep shelf dividers and service-desk placement that doubles as a deterrent.
- Stress test insurance and legal preparedness. Boards should commission periodic reviews to confirm that policies cover trauma counselling, employee injury and malicious-attack business interruption, and that handbooks set out robust incident-reporting and evidence-preservation procedures. It is also vital to ensure that the use of CCTV, FRT and other technologies which process personal data keep pace with relevant legal and regulatory requirements as they continue to evolve.
- Strengthen partnerships. Engage proactively with local constabularies, town-centre managers, and neighbouring businesses to coordinate patrols, share CCTV watch-lists and, where possible, co-fund visible uniformed policing during peak vulnerability periods.

It is also important to be aware of the latest threats. As retailers respond to threats, <u>criminals will find new and inventive ways to steal</u>. Being alive to an issue affords the opportunity to train staff and take countermeasures.

Finally, an issue that has received low levels of publicity is the public's attitude to stealing and violence against shopworkers. While the most significant retail crime is linked to organised crime, there is no doubt that many perceive it as a faceless crime. In 2023, Dazed magazine spoke to young people about why they are stealing and found that they saw it as both a response to rising living costs and a way to resist capitalism.

The <u>Retail Trust's survey</u> also found that 41% of retail workers reported being shouted at, spat on, threatened or hit every week. Surely it is time to raise awareness that the cost of retail crime and its human impact affect us all and to reiterate that everyone carrying out retail duties should feel safe at work.

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