

Meeting of the 11th Meeting of the Retail Consultation Forum

Iveagh House, Department of Foreign Affairs, Dublin 2, 27th February 2017

Chair: Minister for Enterprise, Jobs and Innovation, Mary Mitchell O'Connor, T.D.

The attendance list is at Appendix 1.

1. Welcome And Opening Comments

The meeting was chaired by Minister Mitchell O'Connor. The Minister welcomed Lorraine Higgins, recently appointed as head of Public Affairs and Communications at Retail Excellence Ireland. Apologies were received from Rebecca Harrison of Fishers of Newtownmountkennedy, Edel Clancy of the Musgrave Group, Colin Fee of the Retail Grocery Dairy and Allied Trades Association, Vincent Jennings of the Convenience Stores and Newsagents Association, Aidan Candon of Euronics Ireland, Anne Marie Harte of the Hardware Association, Maria Melia of the Department of Transport, Tourism and Sport, Helen O'Donnell of Dolmen Catering and Phil O'Flaherty of the Department of Education and Skills.

Colm Downey of the Department of Housing, Planning, Community and Local Government was represented by Aisling Holohan, Richard Guiney from Dublin Town was represented by Gerry Farrell, and Ian Talbot, Chambers Ireland was represented by James Kiernan.

The minutes of the meeting of 21st November 2016 were approved.

2. Retail Consultation Forum Working Group Updates

Retail and Skills Working Group

Sean Carlin, chair of the group, provided an update on the progress of the **Retail and Skills Working Group**.

This Group was set up last year to identify, explore and develop a platform to deliver skills specific to the Retail Sector. The group met for the first time last November and more recently this month. The group is examining the expansion of the Retail Ireland Skillnet Framework which will comprehensively map out training programmes available to the Retail Sector. The intention is to have a learner centred structure that will provide

an identifiable career path with a focus on the three skill strands: Work Based Learning, Academic and Apprenticeships.

At the last meeting on 15th February the group heard from Oran Doherty, Letterkenny Institute of Technology about Work Based Learning; and from Róisín Woods, Marketing and eCommerce Manager at McElhinneys Department Store on developing an ecommerce strategy. The importance of practical learning sessions for training / upskilling employees for online retailing was emphasised.

The members of the Retail and Skills working group are in agreement that the digital skills shortfall is a critical issue for the Sector.

At the next meeting, the providers of ecommerce courses on the Working Group will bring a sample of training opportunities currently being offered. One of the delivery options that the group will examine for enhancing digital capacity of retailers is the Skillnets network model, either as an extension of the existing Retail Skillnets or as a standalone network for digital skills.

The group will continue to look at developing a suite of skills opportunities that will support the professionalisation of the retail sector, addressing skills gaps that employers are experiencing and positioning retail as a career of choice.

The Minister welcomed the work of the group, emphasising the need for greater professionalization of the sector; and for demonstrating the availability of training and development opportunities to those working in the sector.

Digital Economy Working Group

Eadaoin Collins updated the forum on the **Digital Economy Working Group**. It is proposed to transfer the remaining work programme of the Digital Economy group, which is focused on digital skills, to the Retail Skills Working Group. The other elements of the Digital Economy group's work programme, around data gathering, have been completed by relevant Government Departments (see update below). Ecommerce infrastructure is being addressed by the National Broadband Plan. It was recommended that there is still an outstanding piece of work in raising awareness among retailers of ecommerce opportunities, and that this would be best carried out by the Retail Members of the Forum among their own memberships.

Dr. Stephen Brennan, Department of Communications, Climate Action and the Environment (DCCA), added that the group has had a series of engagements with the Central Statistics Office (CSO), on the issue of developing more data around digital spending. The CSO have agreed to expand their household and business surveys to include more questions around digital spending. The Forum are asked to ensure their

members participate in data gathering exercises. More comprehensive data will be available by year end.

In response to members' queries, it was confirmed that new questions will be included in the CSO's household and business surveys, to gather information on absolute level of spending online, and spending categories, and to verify the proportionality of importing/exporting.

DCCAE updated the Forum on the Trading Online Voucher Scheme (TOVS). Given the success of the scheme to date and the positive outcomes for businesses that have used the voucher, DCCAE is reviewing the TOVS in consultation with the Department of Jobs, Enterprise and Innovation (DJEI) and examining how it might be further developed. An increase in the number of vouchers in the scheme is likely, with engagement with representative bodies expected. With regard to supports for larger businesses that fall outside the scope of the TOVS, DCCAE is examining the feasibility of possible tax incentives. The aim is to have this feasibility work complete for Budget 2018.

Retail and Reducing Energy Costs Working Group

Vincent Jennings, chairman of the **Retail and Reducing Energy Costs Working group**, sent apologies for the meeting. The group's work has officially concluded, pending the outcome of a pilot resource efficiency training programme for retailers. An update on this programme will be provided at the next meeting.

Town Centre Renewal Working Group

Catherine Curran, DJEI and Secretary to the Forum, updated the group on the outcomes of the **Working Group on Town Centre Renewal**. This group was chaired by Seamus Neely, Chief Executive of Donegal County Council, who sent his apologies.

The principal output from this group is the document 'A Framework for Town Centre Revival', circulated to the Forum for review. The Framework aims to identify 'what success would look like' in terms of town/village renewal, highlighting key attributes including the support of a local steering group, a place making strategy, the presence of local business champions, strong occupancy, etc.

The Framework includes an Action Plan which is intended to be a blueprint for towns and villages, guiding them through the three stages of town centre renewal: carrying out a town centre health check, forming a local steering group or Town Team that is representative of key local stakeholders and preparing a Town Centre Plan. It also includes a number of case studies which provide practical examples of best practice from a number of towns and villages around the country which demonstrate the significant improvements that can be achieved through the dedication and hard work of the people throughout Ireland who are passionate about their town or village.

This work dovetails with National Policy in its focus on the role of place-making in economic development, which is recognised in Action Plan for Jobs 2017, the Regional Action Plan for Jobs, Action Plan for Rural Development, and Ireland 2040 (Our Plan) – the new National Planning Framework.

The Minister suggested to the Members that this document could be presented as a submission to the National Planning Framework consultation process on behalf of the Forum, if the Forum is agreed, and subject to any further comments on the draft document.

Members raised the issue of supports to implement a renewal plan. It was noted that there are supports available from different sources and targeted at different initiatives; it would be for a steering group/town team to identify the most appropriate funding source for their needs. It was acknowledged that in terms of current funding schemes, the management piece is not well targeted, and is an element that could strengthen delivery of any action plan.

Members asked, in the context of signing off the draft recommendations, to whom these recommendations are being made. It was noted that DJEI facilitated the development of the Plan as a reflection of the wishes of the Forum members. Recommendations are relevant to a number of Government Departments, Local Authorities and other stakeholders.

Concerns were also raised regarding the term ‘Town Centre Manager’, as this could conflict with Local Authority roles/titles. This will be examined by the Forum.

Members also pointed to the existence of further information, data and research on the subject of approaches to town centre revival. Members were requested to share this information for inclusion in the final report.

Tara Buckley, Director General RGDATA, presented on the progress of RGDATA and the Heritage Council’s pilot **Town Centre Health Check** programme. The first workshop has been held with 10 towns invited. These towns were selected due to their being at the right stage in the process – with active Local Authorities, progress in mapping, good links with local education institutions (for surveying purposes). Of these 10, 8 have completed Health Checks. Mapping exercises have proved challenging – tailored Ordnance Surveys maps are difficult to obtain, and private research services are very expensive; linking with third level institutions to conduct surveying and mapping exercises has been more productive. Creating consistent information is important but challenging- students from different backgrounds approach surveys from different perspectives. Co-ordination and organisation of survey volunteers/students is crucial.

RGDATA suggest the need for a ‘Central Office’ to co-ordinate and organise these processes, and to provide consistent advice and information to towns undertaking a

Health Check. Key issues emerging from the Health Checks are high vacancy rates (in some cases up to 20%), difficulties getting traders involved, and a lack of a 'driver' for the process. There is a need to share best practice.

The second workshop will be held on the 16th March in Dublin Castle. Support is being sought for a 'Central Office'.

Finola Moylette, Rural Affairs Division, DAHRRGA, updated the forum on the Town and Village Renewal Scheme. Last year's commitment for a €10m pilot programme has been run through the Local Authorities quickly and efficiently. 172 projects secured funding across all counties. It was felt that towns and villages were best placed to figure out what they need, thus the scheme had very few criteria – it was essentially down to Local Authorities and communities to decide on needs and best projects. Towns and villages were advised to carry out a 'health check' as part of their project. Projects from last year's scheme are still ongoing.

On the call for a 'central office', it was noted that the Town and Village scheme is a capital programme.

It is not envisaged to change the scheme dramatically this year, but DAHRRGA are open to submissions. Local Authorities will be surveyed for feedback. €12m is available for 2017; the scheme is likely to include a pilot to encourage residential occupancy on towns and villages. Colleagues in DHPCLG are considering the focus for this. A mid-year launch is envisaged for this pilot; the main scheme will launch end Q1. For the 2016 scheme, Local Authorities were invited to submit 8 projects, and to input on which would work. It is hoped to introduce more competitive elements to the 2017 scheme.

The Minister noted that DJEI will continue to liaise with DAHRRGA on the scheme. The Forum Secretariat will circulate contact details if forum members wish to make a submission on the scheme criteria.

3. Brexit

Conor Hand, Brexit Unit, DJEI, provided an overview of the structures and responses to Brexit that are currently in place by the Department of Jobs, Enterprise and Innovation. Dr. Cathal Fitzgerald, Brexit Unit, DJEI provided the Forum with a briefing on the pilot research programme currently under way to assess the firm-level impact of Brexit on Enterprises.

Conor Hand outlined how the Brexit Unit leads on the coordination of the approach to Brexit by the Department, its Agencies and Offices. The unit oversees Brexit related research and develops DJEI policy positions on Brexit negotiations to feed into the Department of Taoiseach and Department of Foreign Affairs. DJEI is represented at many of the Sectoral Brexit Working Groups established to develop policy decisions as

part of the Government response to Brexit. A key area for DJEI is that the enterprise message is captured by Government.

Dr. Cathal Fitzgerald gave an update on the Pilot research study currently underway by the Brexit Unit, targeted at the operational impact of Brexit on enterprises. The purpose of the Pilot Research study is to establish the key areas of concern for enterprises. The Pilot study is focused on three sectors: Wholesale / Retail, Computer Consultancy, Food and Drink. The feedback from the study will inform the Minister and Government in the upcoming Brexit negotiations.

The Minister explained to the Forum that given the cross- Departmental impact of Brexit, the Irish Government has not appointed a Brexit Minister, as is the case across the EU 27. Reports from each Department are submitted to the Department of Taoiseach and Department of Foreign Affairs to ensure the Government will have the best response to Brexit. Secretary General John Callinan co-ordinates the Brexit responses. The Minister advised that Inter-Trade Ireland have a quarter of a million euro to conduct research along the border as to how this area will be affected by Brexit. Enterprise Ireland is working with companies on a company by company basis to see how they can diversify, deal with innovation and manage currency fluctuations as a result of Brexit.

4. PAYE Modernisation

Ruth Kennedy, Revenue, provided the Forum with an update on the plan for modernising the PAYE system. Revenue undertook a public consultation process and received feedback from 77 stakeholders which gave direction to the current plan for PAYE Modernisation.

The Forum Members welcomed the plan for PAYE modernisation. For employers it will allow for the seamless integration of reporting into the payroll process. Currently five million *P Forms* are processed through the system annually, 7% which are from enterprises in the retail sector. PAYE Modernisation will lead to the abolition of P30s, P45s, P46s, P60s and end of year returns.

Any further feedback on PAYE Modernisation can be submitted to payemodernisation@revenue.ie

It was noted that the PAYE Modernisation was part of the wider effort by Government to reduce red tape.

5. AOB

Cost of Insurance Working Group

The Minister had to leave the Forum before this agenda item and Eadaoin Collins acted as Chair.

Michael Taggart, Department of Finance provided an update on the work of the group which commenced in July 2016 to examine the motor insurance sector. A Report was issued on 10th January 2017 and has been approved by Government.

Michael Taggart outlined the three key Recommendations of the Report:

- The establishment of the Personal Injuries Commission, the first meeting of which was held on 10th February.
- The need for enhanced transparency: national claims information will be available from the Central Bank next year.
- Reducing the costs in the claims process, including through strengthening the Book of Quantum and maximising the Personal Injuries Assessment Board process.

Michael Taggart confirmed that a meeting took place recently with IBEC and ISME regarding issues concerning Insurance and the Working Group are committed to looking at the issues.

Members welcomed the update and urged the Minister continue to advocate on their behalf regarding the ongoing issues concerning Insurance, to create a more stable and accessible market. Examples were put forward by Members of the high insurance premiums retailers are currently paying and how this is unsustainable.

The Chair responded that the Minister was an advocate for enterprise and increasing our competitiveness but there must be due regard to the legal process and DJEI is working with D/Finance through the Cost of Insurance Working Group. DJEI is firmly committed to implementing the relevant action points from the Cost of Insurance Working Group report.

Forum Members called for the Forum to make a submission to the Working Group. It was suggested to members that, as with the pre-budget submission process, the Secretariat could submit a position paper on behalf of the retail members of the Forum. Forum Members will be asked to prepare a joint submission which the Secretariat will submit on their behalf. All the actions from the Working Group are feeding into the Action Plan for Jobs under the competitiveness pillar (Action 105: "Implement the Cost of Motor Insurance Action Plan" (Lead: Department of Finance). DJEI is monitoring implementation on an ongoing basis.

The Working Group, now in phase two, will examine Employer Liability Insurance and Public Liability Insurance Sectors.

Members of the Forum were invited to make submissions to insurance@finance.gov.ie

Work Programme for 2017

Due to time constraints, this item on the Agenda was not addressed. Catherine Curran will follow up with Members by email to advise on the Work Programme for the remainder of 2017 and will confirm the dates for upcoming Retail Consultation Forum Meetings which have been agreed with the Ministers Office.

Secretary to the Retail Consultation Forum

Appendix 1
Retail Consultation Forum Meeting, 27th February 2017
Attendance List

Name	Organisation
Linda Barry	Small Firms Association
Caitriona Bracken	Department of Social Protection
Dr. Stephen Brennan	Dept of Communications, Climate Action & Environment
Tara Buckley	RGDATA
Thomas Burke	Retail Ireland
Sean Carlin	Retail Ireland Skillnet
Jim Curran	Irish Pharmacy Union
Eoin Fitzpatrick	Fitzpatricks Wholesale
Lorraine Higgins	Retail Excellence Ireland
Máire Flanagan	Department of Taoiseach
John Murray	DIT
Daniel McLoughlin	South Dublin County Council
Aisling Holohan	Dept. of Housing, Planning, Community & Local Government
Keith Rogers	ECCO Ireland
Conor Whelan	Easons
James Kiernan	Chambers Ireland
Gerry Farrell	Dublin Town
Neil McDonnell	ISME
Feargal O'Brolchain	Department of Finance
Finola Moylette	Dept. of Arts, Heritage, Regional, Rural and Gaeltacht Affairs
Dr. Fenton Howell	Department of Health
Eadaoin Collins	Department of Jobs, Enterprise and Innovation
Catherine Curran	Department of Jobs, Enterprise and Innovation
Sinead Sweeney	Revenue
Ruth Kennedy	Revenue
Michelle Carroll	Revenue
John Barron	Revenue
Michael Taggart	Department of Finance

Conor Hand	Department of Jobs, Enterprise and Innovation
Dr. Cathal Fitzgerald	Department of Jobs, Enterprise and Innovation
Maria Ginnity	Department of Jobs, Enterprise and Innovation
Colm Forde	Department of Jobs, Enterprise and Innovation
Tracey Murphy	Department of Jobs, Enterprise and Innovation
Emily Odlum	Department of Jobs, Enterprise and Innovation
Helen Keane-MacDonough	Department of Jobs, Enterprise and Innovation
Niall de Buitlear	Department of Jobs, Enterprise and Innovation

Apologies:

Rebecca Harrison of Fishers of Newtownmountkennedy, Edel Clancy of the Musgrave Group, Colin Fee of the Retail Grocery Dairy and Allied Trades Association, Vincent Jennings of the Convenience Stores and Newsagents Association, Helen O'Donnell of Dolmen Catering, Aidan Candon of Euronics Ireland, Anne Marie Harte of the Hardware Association, Maria Melia of the Department of Transport, Tourism and Sport, and Phil O'Flaherty of the Department of Education and Skills.