

MINUTES
16th Meeting of the Retail Consultation Forum

Room 110, Kildare Street, Dublin 2
11 July 2019
09.30-11.30am

Chair: Heather Humphreys, TD, Minister for Business, Enterprise and Innovation,

Attendance and apologies at Appendix 1.

1. Welcome and Opening Comments

The Minister welcomed those in attendance explaining that there were non-Forum members from the Retail Grocery and Distribution Sector in attendance for items 1 & 2 only, at her invitation. She advised the meeting that items 1 & 2 would be held under Chatham House Rules and that non-Forum members would depart after items 1 & 2 concluded. She explained, by way of context, that since the last Retail Consultation Forum meeting in November 2018 she has had several Round Table discussions with the Retail Grocery and Distribution sector on Brexit preparedness. The Minister introduced the agenda and how she had asked officials from the relevant Departments and agencies (DBEI, DTTAS, DAFM, Revenue, FSAI) to contribute to item 2 of the meeting by providing updates on the latest developments in relation to State preparedness for Brexit. The Minister shared copies of the newly published DBEI Brexit Preparedness Checklist and asked all attendees to complete the Checklist themselves and to circulate it to their members and/or supply chain.

2. Brexit

Chatham House Rules applied to this section of the meeting.

3. Enterprise Ireland Online Retail Scheme update

Mr Stephen Hughes, Head of Consumer, Enterprise Ireland (EI), updated Forum members on Call 2 of the pilot Online Retail Scheme, which the Minister launched last month (June 2019) and which is currently open for applications.

Mr Hughes said that following Call 1 a review was undertaken by DBEI and Enterprise Ireland concluding in the widening of the eligibility criteria of Call 2 of the Pilot Online Scheme. The two changes to the eligibility criteria were:

- I. to include applications from Irish owned retail businesses with 10 or more employees and who have a physical retail outlet.
- II. to include applications from Irish owned retail businesses with upwards of 250 employees and who have a physical retail outlet.

He provided a brief update on Call 1 of the Scheme saying that there were 11 successful applications for Call 1. He advised how EI gave comprehensive feedback to unsuccessful applicants. He asked all the attendees to inform their networks that Call 2 will close at 3pm on 31 July 2019.

Comments arising:

- Mr Keelan Bourke, Retail Excellence said that they have enjoyed working with Enterprise Ireland to drive awareness of the Scheme at the Retail Excellence Retail Retreat and have received positive feedback about the Scheme.

- Ms Tara Buckley, RGDATA said that the scheme should be extended to include businesses that want to trade online but do not export. She proposed that the Department of Business, Enterprise and Innovation should consider running a scheme that all retail businesses are eligible for not just those who export or wish to export.
- Ms Rebecca Harrison, Fishers of NewtownmountKennedy Ltd agreed with Ms Buckley and said that this could retain some of the consumer spending leaving Ireland.
- Ms Leon Quigley, Department of Employment Affairs and Social Protection agreed that the scheme should be as inclusive as possible.
- Mr Vincent Jennings, Convenience Stores and Newsagents Association (CSNA) also agreed that there are potential opportunities for Irish companies to develop their online markets and urged that the qualifying criteria for the Pilot online retail Scheme would permit business to thrive and not restrict them.
- Mr Jim Copeland, Hardware Association of Ireland proposed that micro enterprises be included in any online scheme.
- Ms Edel Clancy, Musgrave Group queried why the scheme is for export only.

Mr Declan Hughes, DBEI, advised that the Trading Online Voucher Scheme, funded by DCCAE and delivered through the Local Enterprise Offices (LEOs) is the first step for Irish retailers to get online. The EI Pilot Online Retail Scheme is the next step up in terms of support available. The Minister said she would consider the contributions of the members and understood that there is a gap in support available for retailers with over 10 employees who want to trade online in a domestic context.

Actions

Minister Humphreys to consider members contributions re: pilot Online Retail Scheme.

4. Cost of Insurance

Cost of Insurance

Mr Michael Taggart, Department of Finance gave an update on the Cost of Insurance Working Group.

The Working Group's Ninth Progress Update will be published in the coming weeks. He added that there has been significant work to date in implementing the recommendations of the *Report on Cost of Motor Insurance* and the *Report on the Cost of Employer and Public Liability Insurance including:*

- the passing of the Judicial Council Bill by the Oireachtas on 9 July in order to implement recommendation of the Personal Injuries Commission regarding award levels in this country, including a future judicial recalibration of the existing Book of Quantum guidelines.
- the establishment of the National Claims Information Database in the Central Bank to increase transparency around the future cost of private motor insurance.
- reforms to the Personal Injuries Assessment Board through the Personal Injuries Assessment Board (Amendment) Act 2019.

Mr Taggart asked RCF members if they could raise awareness of section 8 and 14 of the Civil Liability and Courts Act 2004, to their relevant members. These reforms will make it easier for businesses and insurers to challenge cases where fraud or exaggeration is suspected.

He also asked members to engage with the Law Reform Commission (LRC) who are undertaking an analysis to delimit or cap the amounts of damages which a court may award in respect of personal injuries. Mr Taggart expects that the LRC will issue a consultation on this matter later this year and asked that all members engage with this process.

Mr Taggart also mentioned that The Garda Commissioner has decided to develop a divisional focus on insurance fraud guided by the Garda National Economic Crime Bureau (GNECB) who will train Gardaí all over the country on investigating insurance fraud. He also noted the recent success under *Operation Coatee*, which targets insurance-related criminality.

He added that these reforms are having a significant impact regarding private motor insurance (CSO figures from May 2019 show that the price of motor insurance is now 24.5% lower than the July 2016 peak).

Mr Taggart said that the Government is aware that some businesses cannot get insured by Irish insurance companies and the Minister has asked insurance companies to expand their horizon. He also said that insurance companies are being asked to pass on the savings arising from a recalibration of award levels.

Comments arising:

- Ms Buckley, RGDATA said some of her members' insurance premiums increased by up to 70%. She requested that insurance companies provide solid data to support their claim that premiums are rising due to claims.
- Mr Jennings, CSNA, said that 'special damages' are the real problem.
- Mr Brian Donaldson, CEO Maxol/ Chair Retail Ireland, said that his organisation Maxol will not let insurance companies settle if there is any doubt.
- Mr James Kiernan, Chambers Ireland, spoke about the difficulties his members experience in relation to obtaining festival/event insurance in Ireland.

Actions

Secretary to the Forum to circulate members on behalf of Department of Finance with the latest developments from the Cost of Insurance Working Group.

5. New Developments

i. Retail Sector Study (Future Jobs Ireland 2019)

Ms Dignam, DBEI, advised the Forum that Future Jobs Ireland 2019 includes 5 pillars. **Pillar 2 (Improving SME Productivity)** specifically includes Retail under the ambition (2.4) to '*Encourage enterprises to exploit technology and business process improvements to increase productivity.*'

A 2019 deliverable set out under Ambition 2.4 is to:

(vi) 'commence a study on the retail sector to understand the full extent and impact of disruption to pre-existing business models in light of digital transformation'

The study will begin with stakeholder engagement in Q3 2019. The estimated completion date is Q2 2020. Forum members were asked to participate.

ii. Retail Apprenticeship Scheme

Mr Burke, Director, Retail Ireland, updated the Forum on the Retail Ireland Skillnet Apprenticeship in Retail Supervision at level 6. The programme received validation from the Qualifications Ireland (QQI) Academic Panel in June 2019 and is due to officially launch in September 2019. 120 people have registered in two centres, Dublin and Galway with the intention to expand to Cork and North West.

The Minister welcomed the news and thanked Retail Skillnet for all their work on this programme.

5. AOB & Date of Next Meeting

The minutes of the meeting of 22 November 2018 were approved.

Minimum Unit Pricing (MUP)

Mr Burke, Director, Retail Ireland raised the issue of the timing of the introduction of Minimum Unit Pricing (MUP) between the North and South of Ireland; explaining how the earlier introduction of MUP in the South would impact negatively on retailers based in the South. The Minister said she was conscious of this issue and the potentially negative impact it would have for retailers in the South of Ireland.

Valuation Office

Mr Jennings asked if the Valuation bills being sent to petrol stations could be added to the next Agenda. The Minister said she will ask the Valuation Office to attend the meeting and add the item to the agenda.

Weather Warnings

Mr James Kiernan, Chambers Ireland agreed with Mr Jennings. He also asked the Minister to raise the issue of the type of weather warnings given by Met Eireann. In some instances, the weather warning given can be alarming, but the weather turns out to be not as severe as initially indicated.

2. Date of Next Meeting

September. Members will be advised of the next meeting of the Retail Consultation Forum.

Actions
Secretary to advise members of the next meeting.

Deborah Dignam

Secretary to the Retail Consultation Forum

**Appendix 1
Attendance List
Retail Consultation Forum Meeting
11 July 2019**

Apologies

Retail Consultation Forum Members		
Minister Heather Humphreys	Chair of the Retail Consultation Forum	Department of Business, Enterprise and Innovation (DBEI)
Darren Kelly	Business Development Manager	Irish Pharmacy Union
James Kiernan	Director of Relationship Management	Chambers Ireland
Jim Copeland	Head of Member Relations	Hardware Association of Ireland
Michael Quinn	Director of Service	Waterford City and County Council (LGMA Rep)
Tara Buckley	Director	Retail Grocery Dairy & Allied Trades Association (RGDATA)
Thomas Burke	Director	Retail Ireland
Vincent Jennings	Chief Executive	Convenience Stores and Newsagents Association (CSNA)
Claire Gordon	Principal Officer, Tobacco and Alcohol Control Unit	Department of Health
Leon Quigley	Employer Relations Support	Department of Employment Affairs and Social Protection
Pamela Malone	Economic Division	Department of the Taoiseach
Ruairi Ferrie	Administration Officer, Planning Policy	Department of Housing, Planning and Local Government
Rebecca Harrisson	Director	Fishers of Newtownmountkennedy Ltd
Edel Clancy	Director of Communications	Musgrave Group
Keelan Bourke	Head of Commercial Partnerships	Retail Excellence
Brian Donaldson	Chairman	Retail Ireland
Declan Hughes	Assistant Secretary	DBEI
Céline McHugh	Principal Officer	DBEI
Deborah Dignam	Secretary to the Retail Consultation Forum	DBEI
Presenters		
Stephen Hughes	Manager, Construction Cleantech Timber & Consumer	Enterprise Ireland
Michael Taggart	Insurance Policy, Funds, Insurance, Markets & Pension Division	Department of Finance

Apologies		
Richard Guiney	CEO	Dublin Town
Phil O'Flaherty	Further Education and Training Section	Department of Education and Skills
Maria Melia	Tourism Policy & Marketing Division	Dept. of Transport, Tourism & Sport

Keith Rogers	Head of Operations	Ecco Ireland
Helen O'Donnell	Owner	Dolmen Catering
Dr. Stephen Brennan	Chief Digital Advisor	Dept. of Communications, Climate Action & Environment
Neil McDonnell	Chief Executive	ISME
Sean Carlin	Manager of Skillnet	Retail Ireland Skillnet
Elizabeth Bowen	Assistant Director	Small Firms Association