

13th Meeting of the Retail Consultation Forum
20th November 2017
Kevin Barry Room 1, The National Concert Hall, Earlsfort Terrace, Dublin 2

Minutes

Chair: Declan Hughes, Assistant Secretary, Indigenous Enterprise Division, Department of Business, Enterprise and Innovation

The attendance list is at Appendix 1.

1. Welcome and Opening Comments

The meeting was chaired by Declan Hughes. Apologies were received from the Tánaiste and Minister for Business, Enterprise and Innovation Frances Fitzgerald; Ian Talbot, Chambers Ireland; Aidan Candon, Euronics Ireland; Vincent Jennings, CSNA; Colin Fee, RGDATA; Phil O’Flaherty, Department of Education and Skills; Sven Spollen-Behrens, SFA; Eoin Fitzpatrick, Fitzpatrick Wholesale; Edel Clancy, Musgrave Group; Keith Rogers, ECCO Ireland; Dr. John Murray, DIT; Maria Melia of the Department of Transport, Tourism and Sport.

Richard Guiney, Dublin Town was represented by Anne Marie Butler; Neil McDonnell, ISME was represented by Michael O’Flanagan; Colm Downey, Department of Housing, Planning & Local Government was represented by Damien Griffin; Feargal O’Brolchain, Department of Finance was represented by Michael Flanagan; Jim Curran, Irish Pharmacy Union was represented by Darren Kelly.

The minutes of the meeting of 12th June 2017 were approved.

2. Retail Consultation Forum Working Groups Updates

Reducing Energy Costs Working Group

Majella Kelleher, Head of Energy Demand Management, SEAI made a presentation to the Forum on the Retail Resource Efficiency Pilot Programme that was undertaken by the SEAI. The Programme was a project initiated by the Reducing Energy Costs Working Group.

Ms. Kelleher outlined how the SEAI worked with the SFA and the CSNA to encourage retailers to participate in the Pilot Programme however participation rates were disappointing.

The average potential annual savings identified for participants in the Pilot Programme was €7,855. Savings of almost €30,000 p.a. were identified for one retail store.

Following the Pilot Programme the SEAI identified that the time commitment required to participate in the Programme is a challenge for retailers. The Retail Resource Efficiency Programme provides Retailers with an opportunity to reduce costs however businesses may be too busy and/or have too few resources to participate.

Members of the Forum were asked to inform the SEAI of their thoughts as to how the Retail Resource Efficiency Programme could be made successful with a greater reach to retailers.

Members of the Forum commented that there may be opportunities to link SEAI grants schemes to other initiatives (for example ESB), to increase awareness and participation by retailers. Comments were also made that the level of paper work required to apply for grant schemes can be onerous and could dissuade businesses from applying.

The Chair suggested that perhaps the SEAI could generate infographics on the benefits of participating in a Retail Resource Efficiency Programme which would be easy to understand and may encourage more retailers to participate. The infographics could be promoted on various website across appropriate Government Departments / Agencies.

Town Centre Renewal Working Group

Catherine Curran gave an update to the Forum on the work of the Town Centre Renewal Working Group. Since the launch of the Framework for Town Centre Renewal in April, there have been engagements on an ad-hoc basis with stakeholders such as the Department of Rural and Community Development, to promote the Framework. The Framework for Town Centre Renewal can be used as a support within the Town and Village Renewal Scheme of the Department of Rural and Community Development.

To take a more strategic approach, Members of the Forum were asked to consider ways in which they can assist in progressing the recommendations contained in the Framework, and gaining traction / support for the Framework.

Officials from the Department of Business, Enterprise & Innovation have spoken at events, responded to queries and distributed copies of the Framework.

Members of the Forum commented that there needs to be clarity with regard to driving town centre renewal, and increased visibility of the supports and frameworks that are available. The Local Authorities could assist in co-ordinating and increasing awareness in their areas.

Retail & Skills Working Group

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

The key priority for the working group is to continue to develop skills across the retail sector and to promote the retail sector as a desirable career option. The rapidly changing environment of retail, as a result of online trading, makes increasing the digitalisation of the sector essential to ensure both the survival of businesses in the sector and to enable the sector to compete and grow an online presence. With this in mind, Retail Ireland Skillnet aims is to extend their suite

of courses to include a Retail Digital Marketing course - Level 5, in 2018. Retail Ireland Skillnet have applied to Skillnet for additional funding in 2018 to cover additional courses which focus on promoting and creating career opportunities in the Retail Sector. This application for additional funding was endorsed by the Department of Business, Enterprise and Innovation.

At the last meeting of the Retail and Skills Working Group on 3rd October, Roisin Woods, Consultant, gave an e-demonstration on the online Health and Safety training course created by Retail Ireland Skillnet which should be available in 2018. It is anticipated that retailers who successfully complete the Health & Safety online training course could benefit from reduced insurance premiums. A more detailed demonstration of the online course will be made to Forum members when the course is rolled out. In addition, at the last meeting of the Working Group, Ms. Bernadette Moore from the Dublin Education and Training Board made a presentation on the Digital Marketing courses available through the ETB and the Group discussed how these courses can be tailored to assist the Retail Sector.

Members of the Working Group were encouraged at their last meeting to review the Enterprise Ireland Brexit Scorecard to assist in preparing for Brexit.

Another key issue raised at the last Retail Skills meeting was the General Data Protection Regulation (GDPR) which will come into force on the 25th May 2018 and the need for retailers to train relevant employees and nominate a Data Protection Officer.

It was agreed at the Forum meeting that the Secretary, Catherine Curran will contact retailers and retail representative bodies on the Forum to identify the top three areas of concern regarding the General Data Protection Regulation and that a GDPR workshop for interested retail representative bodies would be organised in the new year.

3. Preparedness of the Retail Sector for Brexit

i) **Caoimhe Gavin, DBEI Brexit Unit**, presented an update on Brexit developments. This covered the Government response to Brexit, an update on the negotiations, DBEI's trade priorities in the context of Brexit, and an overview of DBEI's approach to supporting businesses, across the following four pillars: Helping firms to compete; Enabling firms to innovate; Supporting firms to trade; and Negotiating for the best possible outcome.

DBEI and its agencies are putting in place a package of measures to support businesses, including:

- **Brexit Loan Scheme** to provide affordable finance to Irish firms impacted by Brexit
- Developing proposals for a **Longer-Term Loan Scheme** together with a new **Business Advisory Hub**
- The launch of EI's **Brexit Scorecard**: an interactive tool that enables all firms to self-assess their exposure to Brexit

- Local Enterprise Offices organising workshops, seminars and training to assist companies to better understand the challenges of Brexit

DBEI is also working to support Government's efforts to achieve the best possible outcome from the Brexit negotiations through research and stakeholder engagement, including a study by the CCPC (Competition and Consumer Protection Commission) with the ESRI to analyse the financial impact of Brexit on Irish consumers. DBEI's approach to Brexit will continue to evolve as the negotiations move forward, as research findings emerge, and in response to continuous consultation with stakeholders.

ii) Thomas Burke, Retail Ireland, presented on what a hard Brexit would look like for the retail sector. Given the slow progress in phase 1 of the Brexit negotiations, uncertainty is having an impact on consumers. Challenges and impacts for retailers include the possible introduction of tariffs and non-tariff barriers, leading to new costs and time delays, and an increase in cross-border and online shopping.

Headline considerations for retailers in planning for Brexit include currency volatility, supply chain, contracts, finance and funding, workforce disruption, requirements for new technology, divergent regulation, increased tax complexity, market access and consumer behaviours, and potential changes to current operating structures. In addition, certain regions and sectors (such as the agri-food sector) will be more exposed to Brexit impacts than others. Ibec estimates that the growth in retail sales from 2017 to 2020 is likely to average between 1.2 and 2.2% per year.

Retail Ireland advises to profile a business in 4 stages: beginning discussion/conversation around Brexit and giving it attention from Senior Leadership level; assessing the impacts of Brexit on your business; establish your business position; take action by building contingency plans and enacting your strategy.

iii) A workshop session was held to explore the following questions:

1. What is the impact of a hard Brexit on your business or your members?
2. What opportunities may emerge and how can the sector optimise the potential presenting?
3. What does the retail sector need to do by June 2018 to prepare for a hard Brexit in March 2019?
4. What would a cross-Government Brexit preparedness plan look like for the retail sector?

Each group reported back following discussion, with the headline feedback summed up by Declan Hughes as follows:

Considerations for retailers:

- Currency is an immediate issue. Hedging can help manage currency fluctuations, but a short-term measure and likely only available to larger companies
- Consumers are highly mobile and Brexit impacts should be gauged by seeing it from their perspective

- Assess competitiveness/productivity opportunities
- Mapping supply chain/trading flows would be an important exercise
- Develop an online presence/develop online trading competency
- Address gaps in/loss of knowledge around cross-border trading, customs and VAT etc

Policy Considerations:

- DBEI work on sector-by-sector analysis of Brexit impacts should be complete within weeks: this will help to develop understanding of specific issues and impacts for retailers
- Competitiveness is a broad issue that will affect firms' resilience to Brexit impacts. Focus on tax, wages, levies, insurance, commercial rates, etc
- More focus currently on exporters: impacts on importers need to be considered as well
- Be mindful of impact of Brexit on illicit trade/black economy and respond appropriately
- Retail sector is not a homogenous group: supports and messaging to the sector needs to take this into account
- DBEI/Gov to provide/disseminate details of appropriate supports

5. AOB

The Secretariat will be in touch about a date for the next Forum meeting, and will continue to follow up with projects ongoing through the working groups.

Brexit will be the main focus over the coming months.

The Hardware Association asked that an update on the national Broadband Plan be included in the agenda for a future meeting.

Catherine Curran
Secretary
Retail Consultation Forum

Appendix 1 – Attendance List

Anne Marie Harte	Hardware Association of Ireland
Darren Kelly	Irish Pharmacy Union
Daniel McLoughlin	Chair CCMA, CEO South Dublin Co. Co.
Thomas Burke	Retail Ireland
Lorraine Higgins	Retail Excellence
Stephen Brennan	Dept. of Communications, Climate Action & Environment
Willie O’Byrne	BWG Foods UC & Chairman of Retail Ireland
Michael O’Flanagan	ISME
Rebecca Harrison	Fishers of Newtownmountkennedy
Alan Power	Skills Policy and Education Policy Unit, Strategic Policy Division, Department of Business, Enterprise & Innovation
Caoimhe Gavin	Brexit Unit, Department of Business, Enterprise & Innovation
Maria Ginnity	Enterprise Policy & Evaluations Unit, Department of Business, Enterprise & Innovation
Helen Keane-MacDonough	Department of Business, Enterprise & Innovation
Catherine Curran	Secretary to the Retail Consultation Forum, Department of Business, Enterprise & Innovation
Sandra Mullen	Department of Business, Enterprise & Innovation
Emily Odlum	Department of Business, Enterprise & Innovation
Declan Hughes	Assistant Secretary, Department of Business, Enterprise & Innovation
Céline McHugh	Department of Business, Enterprise & Innovation (DBEI)
Damien Griffin	Dept of Housing, Planning & Local Government
Dr. Fenton Howell	Department of Health
Finola Moylette	Dept of Rural and Community Development
Michael Flanagan	Department of Finance
Seán Carlin	Retail Ireland Skillnet
Aoife Mullen	Department of the Taoiseach
Caitriona Bracken	Dept. of Employment Affairs and Social Protection
Helen O’Donnell	Dolmen Catering
Tara Buckley	RGDATA
Anne Marie Butler	Dublin Town (BID)
Majella Kelleher	Head of Energy Demand Management, SEAI
John Jameson	DIT