

MEMBER'S NEWSLETTER

AUGUST 2020



IN THIS ISSUE:

Message from / **The CEO**

ISME Welcomes / **New Members**

ISME / **News**

Insurance Update / **A message from the
Alliance for Insurance Reform**

Training Courses / **Course Updates**

HR Update / **COVID-19 Workplace Inspections**

Tax Update / **Dates for the diary**

Legal Update / **Rent-a-room relief**

Dear member,

The July Stimulus came and went, with a substantial increase in the amount of debt-based liquidity available, but not in grant support, which members actually wanted. While the grants package increased in size, it remains tied to business rates paid in 2019. Thus, the increase in grant size to a maximum of €25,000 is of no use to most SMEs. Secondly, many businesses which are not rateable, and are therefore excluded from the Restart Grants.

There was much publicity for the expansion of the Credit Guarantees Scheme (CGS), which is promised another two billion euro. However, this has not proved popular among borrowers in Ireland. It has been open since 2012, with €150m committed per annum. Only €152m has been drawn down, a success rate of 13%. We saw the

game was much publicized and providing 2 billion euro. However this is another dash based package and as the chief executive of Ulster Bank conceded over the bank holiday weekend most businesses still do not want a debt based solution. In any case credit guarantee scheme is simply a guarantee for death on an S me balance sheet not on the state balance sheet. We saw Jane Howard, CEO of Ulster Bank, confirm at the weekend what we already knew- SMEs do not want more debt. And InterTradeIreland [reported last Friday](#) that 53% of Irish firms have seen their businesses decline.

The [Employment Wage Subsidy Scheme](#) (EWSS) will replace the TWSS from 1st September. It will provide for a maximum level of support of €203 per employee per week. Businesses are expected to monitor their financial performance on a monthly basis, and to withdraw from the scheme if their business does not experience a 30% decline in turnover or orders between 1st July and 31st December 2020.

Proprietary Directors were unfairly excluded from the TWSS when it was announced, although the Minister has rowed back on this in most cases. We understand that where proprietary directors are the sole employees of a business, they will remain ineligible for wage support.

ISME will be producing a consolidated list of supports available and we will be running events to assist members in knowing how to avail of these supports. The list of current Government Covid-19 supports is [here](#).

The next few months are going to be critical for small businesses. Unless there is a substantial intervention in October's budget there will be no meaningful grant support provided for businesses. We have asked the government to address this in our pre budget submission [HERE](#).

We were glad to see business sentiment improve amongst most members in July, with forecast business mortality at its lowest level since the pandemic began. However, a hard Brexit remains a real possibility come December. Our [Brexit Page](#) will point you in the right direction. Remember- tariffs are a known problem but you also must prepare for non-tariff barriers like standards and declarations. If you have not done so, please avail of the [Start to Plan Voucher](#) provided by InterTrade Ireland.

Keep up the contact with your local TDs, you'll get their contact details [here](#).

Thank you

Neil McDonnell | CEO | neil@isme.ie



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Reach over 20k business people with ISME's quarterly online publication for Irish SMEs
The bISME.

ISME Members can advertise in The bISME at a special rate.

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The latest edition of the bISME is now live. Stay up to date below:

[Read here](#)



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WELCOME

ISME NEWS

COVID-19 Hub for ISME Members

ISME have developed an online Members only hub with tools and templates to help guide you during this difficult time. Included in the COVID-19 page are explainers and links to all government schemes, HR resources, best practice advice and supports.

Access by logging into the Members Area of the website [here](#)



Lets get Back to Business

ISME launched an initiative in June that provides Members with a platform to promote their business, network and get key information during the COVID-19 crisis. We have been delighted with the response to **Back to Business** and you can view Member ads and offers, webinars, advice and blogs focusing on key tools and advice needed to get back to business; plus virtual networking events - *Pitch my Business*.

You are welcome to submit your free advert for the campaign to marketing@isme.ie - spec available [here](#). View the portal [here](#)

LIVE Q&A on COVID-19 Supports available to SMEs

DATE: Thursday, 13th August

TIME: 10.30am

ABOUT: Join us for this live Q&A session designed to help you gain an insight and understanding into the supports that are available to you as SME Owner Managers in order to overcome the challenges of COVID-19. Please submit all questions in advance to ciara@isme.ie and complete the form below to reserve you space.

PANEL OF EXPERTS:

- Jamie O' Hanlon, Avid Partners.
- Declan Hughes, Assistant Secretary General in the Department of Business, Enterprise & Innovation

Register and find out more about the panel [here](#).



ISME NEWS

ISME back [smerecovery.ie](https://www.smerecovery.ie)'s national recovery plan for the small business sector

Backed by a broad church of stakeholders including ISME, the National Small Business Recovery Plan calls for a more extensive range of supports including a business compensation fund, business stabilisation supports, an extended mandate for the SBCI and measures to boost demand.

Find out more about the plan and sign the petition [here](#)



Brexit: Resources from ISME

ISME have created a page for BREXIT resources to help you navigate these unknown times. Included on the page is **A Brexit Guide** written by Paul McMahon who was a regular ISME Roadshow speaker in 2019. 'BrexitLegal.ie' is a comprehensive free website about Brexit for Irish business. Read more [here](#).

ISME pre-budget submission

ISME issued our Pre-Budget 2021 Submission to Government on July 30th. We welcomed the extra liquidity measures provided in the July Stimulus but are concerned that they will be insufficient to protect many SMEs and their employees.

The majority of small and medium businesses in the country have been adversely affected by COVID-19, while also having on average €76,000 of outstanding business debt. Many SMEs will struggle to settle some or all of this debt because of lost trade, and restricted trading in 2020 and 2021.

Read in full [here](#).



Key employment related measures in the July Stimulus.

ISME HR Advisor, Cait Lynch has also uploaded advice on the key employment related measures in the July Job Stimulus. You can read in full [here](#).

Members offers

Within the **Back to Business** portal you will find special offers from a variety of ISME Members from various industries. You can submit offers to marketing@isme.ie and view current offers [here](#).

ISME NEWS

Returning to the Workplace - Expert Panel Discussion

As Ireland's largest Health & Wellbeing provider and ISME's Wellness programme provider, laya healthcare are inviting ISME Members to attend their Returning to the Workplace expert panel discussion on **Thursday 13th August, 2.00-pm -3.15pm.**



This discussion will focus on laya healthcare's C.A.R.E. approach (Communicate, Anticipate, Respond and Engage) to help you navigate the evolving needs and challenges that your organisation may face. Attendees will leave with a rich understanding of the safest and most successful strategies to use during the return to the workplace over the coming months.

Experts will include:

- Derek McKay, Managing Director, Adare HRM – (Moderator)
- Sinead Proos, Head of Health & Wellbeing at Laya Healthcare
- Dr Emelina Ellis, Clinical Excellence Lead, Spectrum.Life
- Professor John Gallagher, Managing Director, Cognate Health.

To register please click [here](#).

To find out more about **ISME's Wellness Programme** with laya and Spectrum Life, click [here](#).

Griffith College's Generation Entrepreneur Summer Camp 2020

Griffith College held an online Generation Entrepreneur summer camp in collaboration with The Entrepreneurs Academy earlier this month, with 40 second-level students attending.

Sinead O'Callaghan, Schools Liaison Officer at Griffith College, said: *"The camp was a massive success, the students were delighted with the new skills they learnt. They were encouraged to continue working together on their pitches in preparation for entering Griffith's Business Enterprise Competition in 2021."*

More information can be found [HERE](#).



Promote your business with ISME

Advertising with ISME is an effective way to reach Owner / Managers of Irish SMEs. We currently have an opportunity for members to advertise in our online publication The bISME, the next issue is due out in August. If you wish to receive members rates and more details on advertising packages please email Marketing@isme.ie

ISME NEWS

Share your story

Have you pivoted your business or are you about to reopen? If so we want to hear your story! Contact us to share your news by uploading in the Members Area [here](#) or by emailing marketing@isme.ie

Lets keep SMEs front and centre in the media!!

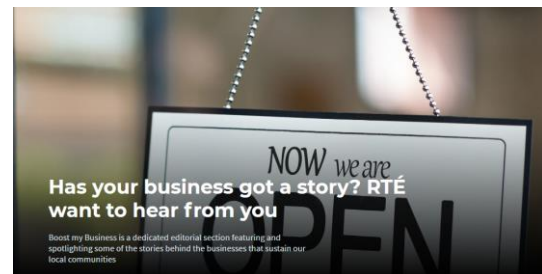
ISME ADVANTAGE

As businesses across Ireland are trying to reduce costs ISME have negotiated preferential rates, added services and access to selected companies across a range of industries for our members.

View the ISME ADVANTAGE listings [here](#).

Boost my Business initiative for SME sector from RTÉ

With over 5.5 million unique browsers per month, the profile, trust, and reach of RTÉ.ie makes it a hugely valuable digital channel for businesses. It is also the primary online resource for the diaspora in terms of Irish news and content. A new, dedicated section of the [website](#) will feature a range of Irish businesses and specialist resources.



The website will showcase some of the businesses that sustain our local communities; from emerging artisan food companies to generational local barbers, to medium size enterprise with global ambition. The details of how to be considered for inclusion are available [here](#).

The website will also offer information and resources aimed at supporting Irish businesses with advice, case studies, interviews and information pertaining to the challenges and opportunities faced by small to medium sized businesses in Ireland - particularly during the COVID pandemic.

COVID-19 FAQs

ISME have created a detailed COVID-19 FAQ section on isme.ie. Here you will find answers to the most frequently asked questions to our HR Advisor and Membership team. Topics covered include: health and safety obligations, annual leave and discretionary travel, absence from work and payment obligations, cost saving measures, entitlements and supports, statutory redundancy, long term absence and protected leave, Employee Relations During COVID-19, Returning to work – Safety Protocols . Read the FAQs in full [here](#).



Duty of Care:

The Duty of Care working group of the Alliance is planning a series of meetings with insurers over the next few weeks to raise, among other things, the issue of insurers settling on claims that are questionable (considered to be fraudulent or grossly exaggerated) which in turn effectively implies an absolute duty of care on the part of policyholders.

In order for these meetings to be effective we need a bank of case studies to address with the insurers. So we need your members to share with us situations where their insurer has settled despite their objections. Please ask your members to tell us the following:

UNDERWRITER NAME:

BROKER NAME:

BRIEF OUTLINE OF CLAIM:

WHY SHOULD THE UNDERWRITER NOT HAVE SETTLED?

WHY DID THEY SETTLE (if explained to you)?:

WHEN DID THIS HAPPEN (approx.)?:

ANY OTHER COMMENTS?:

ARE YOU OK IF WE GIVE THE UNDERWRITER YOUR CONTACT DETAILS?:

(These details will not be circulated any further than your insurers. If you would prefer to remain anonymous with your insurers, we will honour that wish.)

Please send all responses to peter@insurancereform.ie

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ISME SKILLNET'S **FREE** WEBINARS:
HELPING SMEs THROUGH COVID-19



EXPLORE OUR FREE WEBINARS

Getting Hired In A Virtual World - 3 Part Series:

Finding the right job for you can be challenging in normal circumstances. With the current COVID-19 environment, it's even tougher. It's more difficult to get the advice and support you need.

- Getting the right job for you | 10th August |
- Putting your application together | 12th August |
- Delivering a winning interview | 14th August |

Pricing and Converting for Business Growth - 3 Part Series:

Learn how to grow your business through impactful prospecting and value-based relationships, how to maximise growth through effective and dynamic pricing and then to effectively convert leads to maximise revenue. This course will be taught by Simon Haigh and Jason Cooper.

- Business growth keys | 17th August |
- Pricing excellence | 19th August |
- Converting leads into revenue | 14th August |

Online Etiquette for Email & On-screen Chat

26th August | This webinar, by Karen Sommerville, will cover the basic principles to portray a professional image, create a clear message and avoid misunderstandings.

REGISTER FOR ALL ON ISME.IE



After the enormous success of the ISME / Griffith College “**Business Recovery and Rethink Your Strategy Programme**”, ISME Skillnet has received emergency funding from Skillnet Ireland.

The fund is generous enough for us to offer our members a free Business Advisory consultation service to assist you get your business up and running again.

Key services:

- **6 hours of free consultation** with a qualified business advisory consultant
- **Confidence:** Making new, courageous decisions for your business
- **Innovation:** Explore new opportunities: Markets, Products & Services
- **Pivot:** What new direction can you take your business in?
- **R&D:** Are you on the right path?
- **Skills assessment:** What skills can be utilised, what new skills are required?

Contact Adam at adam@isme.ie / 086 824 4364, to explore this fabulous opportunity and take the right steps



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COVID-19 Workplace Inspections

As workplaces begin to open up, employers are implementing Their COVID-19 response plans, and ensuring compliance with the National Return to Work Safely Protocols as well as compliance with the Safety Health and Welfare at work act 2005. The Health and Safety Authority (HAS) is the Government agency charged with primary responsibility to ensure employers are complaint with both of these, and has been inspecting workplaces to ensure employers are providing a safe place of work in light of COVID-19.

The HSA have committed to taking a collaborative approach to COVID-19 compliance inspections, and will provide support and advise to employers in order to ensure compliance, however employers should remember that the HAS have the authority to shut down a workplace if non-compliance with the protocol document is found.

The national return to work safely protocol provisions may fall under the responsibilities of the employer under the Safety Health and Welfare at work act 2005. The 2005 Act contains numerous express duties for employers in relation to instruction, training, supervision, third parties/visitors, hazard identification, risk assessment, safety statements, representatives and consultation with employees. Any of the above categories of employer duties are arguably captured by the COVID-19 related actions in the Protocol.



Employers should be mindful of potential actions, such as personal injury claims and an increase in protected disclosures related claims issued by employees in respect of any failures to comply with the Protocol.

The HSA have outlined the key questions they will be asking while conducting a workplace inspection.

- Has a COVID-19 response plan been prepared?
- Have your employees been given COVID-19 induction training?
- Are the COVID-19 control measures in the workplace adequate?
- Has a COVID-19 employee representative been appointed?

ISME have a full guide to preparing for a workplace inspections that includes possible questions that will be asked and areas that may be looked at.

View or Download the guide [here](#).

ISME **WELLNESS** PROGRAMME

EMPLOYEE ASSISTANCE PROGRAMME

UNLIMITED ACCESS FOR AN EMPLOYEE
AND THEIR FAMILY TO:

- 24/7 Freephone Mental wellbeing support
- Up to 6 Sessions of face to face Counselling
- Video/telephone counselling option
- Support across finance, legal, mediation, parenting coaching, life coaching and more

€500 p.a. for up to 30 employees, for each subsequent employee €9 per employee p.a.

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August **Dividend Withholding Tax**

14th Due date for payment and filing of returns of withholding tax on dividends paid by companies in July 2020.

PAYE/PRSI/USC/LPT

23rd Payment of PAYE/PRSI/USC/LPT deductions for July 2020 (ROS Filers).

VAT

23rd Payment of July 2020 VAT liability and filing of related VAT return (ROS filers).
Payment of August 2019 – July 2020 VAT liability and filing of related VAT return (ROS filers).

Corporation Tax

23rd Company year-end 30th September 2020: Preliminary tax due, minimum 90% of total liability for the year. Small companies can pay 100% of previous year's liability (ROS filers).

Company year-end 30th November 2019: Payment of balance of corporation tax and filing of corporation tax return (ROS filers).

Company Secretarial

28th Filing of Annual Returns dated 31st July 2020.

Corporation Tax

-
31st Company year-end 28th February 2019: Close companies with undistributed profits may have to make a distribution by this date to avoid surcharge.

Company year-end 30th November 2019: Filing of 'Return of third party information' (Form 46G).

Company Secretarial

31st Company year-end 30th November 2019: Final date for holding Annual General Meeting and latest possible Annual Return date for 2020.

If you rent out a room (or rooms) in your home to private tenants, the rental income you earn will be exempt from income tax, provided this income does not exceed a certain limit in a tax year. This is called the rent-a-room relief. A self-contained unit, such as a basement flat or a converted garage attached to your home, can qualify for this relief.

Rules

For you to qualify for rent-a room relief, your home must be located in the State and you must occupy it as your sole residence during the year of assessment. This means that it is your home for the greater part of the year and is where people would normally expect to make contact with you. In most cases, you do not have to own the property – you could be a tenant and be sub-letting to someone else.

You cannot deduct expenses from your rental income while claiming rent-a-room relief. However, depending on the circumstances, it may be worth your while to opt out of the relief in a particular year in order to offset expenses against the rental income and avail of wear and tear allowances. If you qualify for rent-a-room relief, the income you get from renting out the room is not liable to PRSI, the Universal Social Charge or income tax. However, it must be included on your annual income tax return.

Rent-a-room relief will not affect your mortgage interest relief or your exemption from Capital Gains Tax (CGT) if you sell your home.

Exclusions from rent-a-room relief

You will not qualify for the relief if:

Your gross income from rent and related services is over €14,000. In this case, Revenue will treat your rental income minus allowable expenses as part of your total income for tax purposes and should be included in your tax return.

You are renting the room in your home to your civil partner, son or daughter (but there is no restriction in the case of other family members).

You are an employee or office-holder in a company, and the company pays you to allow clients to use the room in your home on an occasional basis.

You are renting the room to short-term guests, for example, through an online accommodation booking site. The relief applies only to residential tenancies, not to short-term guest arrangements. The occupants must be using the room on a long-term basis. So, renting a room to a student for the academic year or for a one-month course is covered, but providing accommodation to occasional visitors for short periods, for example, through an online accommodation booking site, is not, as this income is not considered to be rental income. This is because the visitors use the accommodation as guests rather than tenants. Revenue has published a guidance manual on how this income is treated for tax purposes.

How to apply

To claim rent-a-room relief you must record your rental income when making your annual tax return.

If you wish to opt out of the rent-a-room relief in a particular tax year, you must notify Revenue in writing, on or before the return filing date for that tax year.

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