

Member's Newsletter

June 2024



iSME
Irish **SME** Association



Dear member,

While many business sectors are looking towards holidays and staff time off, for many of you in the hospitality sector, the next three months will decide the financial viability for the year. We wish you all well.

The ISME Chair Marc O'Dwyer and I met with the incoming Enterprise minister Peter Burke on 22nd May, and we had a frank exchange of views on what was required by the SME sector.

While there was much fanfare about the extension of the ICOB scheme, it turns out many businesses could not claim it. A lot of businesses were disappointed that ICOB and other Government supports for SMEs excluded them because they paid more than €30k in commercial rates or they employed more than 50 people. They felt that Government was providing support for micro sized businesses but not medium ones. At the other end of the scale, many smaller businesses which pay a grossed-up rent to their landlord were excluded from ICOB because it is only payable to those who pay rates directly to the local authority. This all comes down to *scheme design*. If Government talked to us before they rolled out a new scheme, we could help them debug it. But they don't, so we can't!

ISME has completed and published our [Pre Budget Submission 2025](#). You will see this looks a little different this year in that we have decided to address 11 key themes for small and medium businesses, and structured our government asks around them.

There is a relatively benign fiscal situation at this year, which allows Government to make strategic choices, rather than have budgetary decisions forced on them by circumstance. This provides plenty of opportunity to make the right decisions for small business.

However, it is fundamentally important that the state engages formally with Ireland's SME sector in the same way it does the multinational, semi-state and public sectors. There is a lot of lip service by the political parties that make up the government, but in practice there is nothing of substance. The recent supports announced are more to do with political expediency than strategic engagement.

The Government continues to be dismissive of the strategic importance of the SME sector in Ireland, which makes up 99.8% of the business demography, employs 60% of the workforce, and makes 3.8 times larger a contribution to the state in net national product terms. SME's must have a seat at the Labour Employer Economic Forum (LEEF). Even the Parliamentary Budget Office now acknowledges the dangerous concentration of overall Exchequer income coming from the multinational sector.

Therefore, in what is likely to be an election year, our number one priority for the SME sector is recognition of SME owners on LEEF.

It was great to meet and greet members at our AGM and at our roadshows in Dublin, Galway and Sligo. I look forward to meeting more of you over the summer.

Crompton Sports Ltd

Dial A Bag National Packaging

Michelangelo Restaurant

Fortem Capital LTD

Safekeeping Limited

KOD-VN-Limited

Law firm

AVEA Association of Visitor

Experiences & Attractions

LCMS LTD

Green Express Couriers Ltd

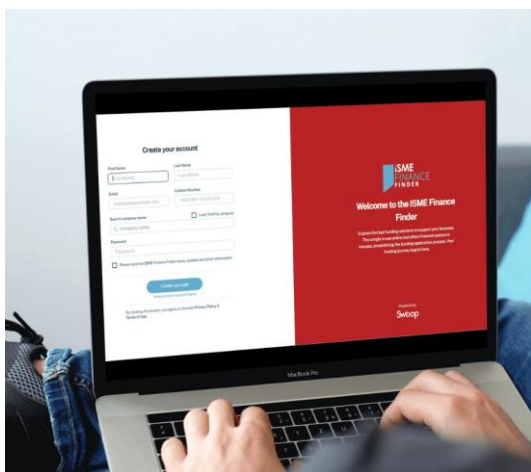
Rhinecourt Limited

Harte Peat Limited

Irish Hairdressers Federation (IHF)

Sea Clean

ISME Finance Finder



To support businesses in accessing funding the ISME Finance Finder, powered by Swoop Funding, has updated and improved its online platform by introducing cashflow and forecasting tools, banking and accounting system integration, as well as equity funding. Register here now to explore the funding options available or to start a conversation about how much you could raise through equity. Your funding journey starts now by going to www.isme.ie/finance-finder

Assiduous SME business owner survey

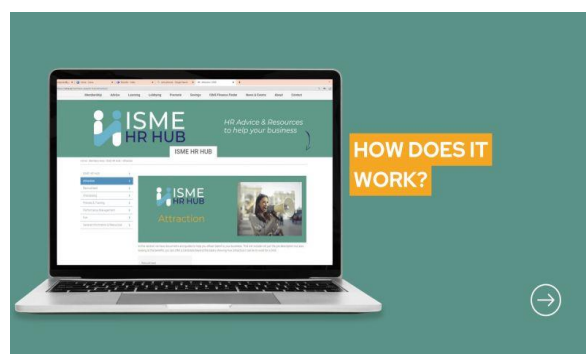
Assiduous is combining decades of capital markets experience with the latest technology innovations to reinvent corporate finance into an accessible, affordable, digital format tailored to SMEs. Your insights will help them tailor Assiduous to better serve SME business owners and executives.

In addition to eliminating the human delivery cost Assiduous is focused on increasing the quality, reliability, consistency and availability of the solution so that business owners can pursue high value strategic, financing and liquidity milestones.

Complete the survey [here](#)

ISME HR Hub – your HR support

To support Members to deal with the ever-changing world of HR and employment law, we have created a portal to give you access to guides, templates, contracts, policies and more to support you in managing HR in your business. We have curated the information based on the HR Life Cycle: Attraction, Recruitment, Onboarding, Policies & Training, Performance Management and Exit.



You can also find information from government agencies and other third parties in our General Information & Resources page, links to the top downloads and view our selection of blogs including Statutory Sick Pay FAQs and EU Directive on Transparent and Predictable Working Conditions.

To find out how it works and looks, click on the video about the portal [here](#). To use the ISME HR Hub log into the Members Area, click on the top left button.

Advertise with ISME



The **bISME** is the official quarterly online magazine of ISME. The bISME is sent to businesses across the country and carries comprehensive editorial content including: news; interviews with leading business figures; ISME services and lobbying updates; member profiles; HR; finance; topical issues facing Irish SMEs; lifestyle articles; and lots more.

We are planning issue 25 of the bISME. If you would like to advertise in our online publication with a growing circulation, take a look at the rate card [here](#) and email us at marketing@isme.ie

Affinity Programme

Take a look at the most recent addition to the ISME ADVANTAGE Affinity programme from ISME Member business Me2You

Order over €5,000 and get €50 gift card free. Other offers include discounted acceptance rates for all new ISME member merchants/retailers joining Me2You gift card.

View all our Affinity programmes [here](#). ISME Members can access all offers when they log into the Members Area



Wellness for your team

ISME partners with Laya healthcare and their health & wellbeing provider, SpectrumLife to provide 24/7 Mental Wellbeing Support Programme (EAP) for ISME Members. We offer unlimited access for your employees and their families to a 365 freephone EAP service, accessible via website, app, or live chat. The cost for up to 30 employees is €500 + VAT and each subsequent employee €9 per employee. Find out more [here](#).

Spend Local This Summer

We want to continue our **Shop Local** message by encouraging people to Think Local and Shop Local this summer for holidays, activities, entertainment and shopping.

ISME Members can advertise for free so please add your details [here](#) if you would like your business featured or to update your existing ad in our [Shop Local portals](#). To find out more please contact marketing@isme.ie



ISME Wellness Programme

Partnering with Laya healthcare and their health and wellbeing provider, Spectrum.Life

Offering ISME Members a **24/7 Employee Assistance Programme**, with unlimited access for members, their employees & families to:

- 24/7 EAP service accessible via website, app, or live chat
- Up to 6 sessions of face-to-face counselling
- Video/telephone counselling
- Support across finance, legal, mediation, parenting coaching, life coaching & more

Special Member Rate:

€500 + VAT (fixed cost per year) for up to 30 employees. Each subsequent employee €9 + VAT per employee per year

Learn more here:

isme.ie/isme-wellness-programme

Consultation and Safety Rep Survey

The HSA is running an **anonymous online survey on the topic of consultation and safety representatives**. The survey can be completed by employers, employees, safety representatives, safety officers, and occupational safety and health professionals (i.e., NOT just safety representatives). It runs until mid June 2024, and is accessible at this link:

<https://forms.office.com/e/NAZy1Dx5Ut>

The purpose of this survey is to obtain information about consultation and the perception and role of safety representatives. The HSA will use the insights from this survey to promote consultation and the safety representative's role and to develop resources.

Health & Safety Authority Update



An tÚdarás Sláinte agus Sábháilteachta
Health and Safety Authority

- ☐ A new course '[Protecting Vulnerable Workers](#)' is now live on [hsalearning.ie](#). The course is accessible from a new topic titled 'Vulnerable Workers' on [hsalearning.ie](#). This course is targeted at employers/managers/supervisors – across all sectors. It includes a definition of vulnerable workers (VWs), examples of VWs, some profiling around specific cohorts, accident data (including HSA accident trends data 2013 to 2022), an explanation of vulnerability and some indicative personas. In addition, we have a useful checklist which provides examples of what a prevention approach looks like.
- ☐ New information sheet on occupational noise is written for employers and employees to raise awareness and control the risk of workplace noise. It is applicable to all sectors. Many thanks to Declan Foster, Mairead Wall, Shara Smith and Helen Hourihane. Please see: [Sound matters - Occupational Noise](#)
- ☐ **New Topic Page on Human Factors:** [Human Factors - Health and Safety Authority \(hsa.ie\)](#)
- ☐ [Vulnerable Workers Information Sheet](#) is written for employers, managers, and supervisors. The purpose of this information sheet is to raise awareness around vulnerable workers, employer responsibilities in relation to protecting vulnerable workers, and protection practices.
- ☐ [Vulnerable Workers Topic Page on HSA Website](#) provides some high-level information about vulnerable workers and some signposting to key resources.
- ☐ The HSA are delighted to have reached a huge milestone with [BeSMART.ie](#) with over 100,000 users.
- ☐ [Psychosocial Risk Assessment: Guidance for Exposure to Sensitive Content](#) was developed by the Health and Safety Authority and the State Claims Agency. It was developed in order to assist organisations employing people in roles which expose them to sensitive content as part of their assigned duties or other employees who are unexpectedly exposed in their role.
- ☐ [Exposure to Sensitive Content Risk Assessment Template](#) was developed by HSA to support organisations employing people in roles which expose them to sensitive content.

HSA Events



The HSA will be hosting a National Conference on Safety Representatives in Dublin Castle on the 12th of November 2024.

All current Safety Representatives, employers, training organisations, instructors, professional health, and safety practitioners, those interested in occupational health and safety and anyone with occupational health and safety responsibilities are welcome to attend the conference.

The conference will include keynote speakers, panel discussion and round table discussions.

Click [here](#) to book your spot and learn more.

Healthy Workplace

The Healthy Workplace Framework is a government strategy to enhance the health and wellbeing of Ireland's workers. A committee led by the Department of Health and the Department of Enterprise, Trade and Employment oversaw the development of this Framework and set the strategic direction for workplace policies and programmes to enhance the health of workers.

A new Healthy Workplace website was recently launched and features interactive tools to facilitate the delivery and evaluation of health and wellbeing initiatives in workplaces of any size. This website aims to be the one-stop-shop for everything you need to make your workplace a Healthy Workplace. It is designed to cater for the needs of public and private organisations and is targeted towards members of staff from Wellness/Health Promotion, Human Resources, Occupational Health, Health & Safety, decision-makers in senior management, and employees hoping to champion a Healthy Workplace.

Find out more on <https://healthyworkplace.ie/>





New Module from SEAI

SEAI has released a new module - Introduction to Energy in Hotels. This module has been designed to support hotels on their energy efficiency journey. It will help businesses understand their energy use, identify quick wins and investment opportunities.

You can access the module [here](#)

Green Business Supports

Ireland has a target to reduce carbon emissions (greenhouse gas emissions) by 51% by 2030, and to achieve a climate neutral economy by 2050. (source: Government Report). The sectoral emissions ceilings (SECs) agreed in July 2022 put in place targets for each sector to achieve this. The target for the enterprise sector is to reduce emissions by 35% by 2030. In order to do this, businesses are encouraged to invest in a greener future, through sustainable products, services and business models.

Whether your business is big or small, it is important to reduce emissions and promote sustainability in how you work. Click [here](#) to find a number of training, mentoring and financial supports for companies trying to reduce their carbon footprint

Events

BPFI National Banking Conference 2024 – Future Focused Retail Banking, Tuesday 11th June, The Round Room Conference Venue Dublin - Mansion House, Book [here](#)

All-Ireland Business Summit, Wednesday 12th June, Croke Park, Book [here](#)

Inspiring Women Entrepreneurs, Friday 21st June, Irish Management Institute, Book [here](#)

ISME Makes Submission for Budget 2025

- The benign fiscal situation allows Government to make the right choices.
- Provide for immediate SME representation on the Labour Employer Economic Forum (LEEF).
- Lower the reduced and standard VAT rates to 9% and 21% respectively.
- Introduce a 2% PRSI rate on all income up to €424 per week.
- The public will not make green transition without appropriate economic incentives.

ISME, the Irish Small & Medium Enterprises Association, representing more than 10,500 direct and affiliated SME businesses throughout the Republic of Ireland, employing more than 245,000 people, has today presented its submission for the Budget 2025 to the Minister for Finance, Michael McGrath TD, Minister for Public Expenditure Paschal Donohoe and the Minister for Enterprise, Trade and Employment, Peter Burke TD.

The submission incorporates eleven main themes including employer engagement, the national minimum wage, infrastructure spending, tax reform, legal reform and the green transition.

Neil McDonnell, Chief Executive, ISME said: “There is a relatively benign fiscal situation at this time which means the Government can make strategic choices, rather than have budgetary decisions forced on them by circumstance. This provides plenty of opportunity to make the right decisions and choices.

But a fundamental requirement of ISME and the SME sector overall is that the state engages formally with Ireland’s SME sector in the same way it does the multinational, semi-state and public sectors. There is a lot of lip service by the political parties that make up the government, but in practice there is nothing of substance. The recent supports announced are more to do with political expediency than strategic engagement.

The Government continues to be dismissive of the strategic importance of the SME sector in Ireland, which makes up 99.8% of the business demography, employs 60% of the workforce, and makes 3.8 times larger a contribution to the state in net national product terms. SME’s must have a seat at the Labour Employer Economic Forum (LEEF). Even the Parliamentary Budget Office now acknowledges the dangerous concentration of overall Exchequer income coming from the multinational sector.”



Pre-Budget Submission 2025

In this submission ISME advises prudence, and in support of sustainable finances and social protection proposes changes to PRSI and Capital Gains Tax that will yield an estimated additional €1.4bn to the Exchequer. It states that there can't be an assumption that throwing cash at the health system or critical infrastructure will improve outcomes or facilities for citizens, and proposes a standing public spending commission, and a standing public service pay commission.

Summary ISME's key themes for Budget 2025 and principal recommendations

Engagement with SMEs as the sector that makes the overwhelming economic contribution in Ireland.

- **ISME Recommendation:** To correct the glaring imbalance, reconfigure the Labour Employer Economic Forum to ensure an adequate and proportionate representation for SME Employers.

National Minimum Wage - The cost of accommodation and cost of living crisis can only be addressed by increasing the supply of accommodation and tackling consumer costs.

- **ISME Recommendation:** Future increases in the National Minimum Wage should not exceed the Consumer Price Index. The methodology for calculation of the National Minimum Wage must be changed to address the unique characteristics of the Irish business demography. The Low Pay Commission requires an adequate level of SME representation, addressing an current imbalance.

Industrial policy must reflect international trends suggesting corporation tax receipts cannot be relied upon anymore; and the state supports that have traditionally ensured a level playing field for FDI are being abandoned.

- **ISME Recommendation:** Conduct a policy review of the interaction between indigenous enterprise and the multinational sector in Ireland. Indigenous enterprise policy must set tax policy, and finance policy must facilitate that, not the other way around. And given that Irish budgets have run in deficit for 17 years when excess corporation tax is included, the Rainy-Day Fund should be expanded.

The State will have to resource higher levels of infrastructure and housing spend, as well as address risks identified in the National Risk Assessment which has been persistently ignored. This will limit expenditures elsewhere.

- **ISME Recommendation:** Government must actively intervene in the rental market via the tax and regulatory regime to encourage the provision of private rented accommodation. Furthermore, it must revise upwards its construction targets in line with the recommendations of the Housing Commission Report. The current target of 30,000 units per annum will need to be increased to at least 50,000 units per annum.

We should not aspire to be the most expensive State in the eurozone in which to live, we should aspire to be the most affordable. This means looking critically at our standard and reduced rates of VAT, and what they are applied to.

- **ISME Recommendation:** The Commission for the Regulation of Utilities should prepare a report explaining why Ireland's energy prices are so high, and what can be done to reduce them. In addition to this, there must be follow through on commentary from the Housing Commission and remove the disincentives to the provision of private rental accommodation. In support of policy development, the Department of Enterprise, Trade and Employment should resource the National Competitiveness and Productivity Commission to reinstate the Cost of Doing Business in Ireland report

We need to resource State services more efficiently and effectively. Giving more money to some State services without reforming them will not improve outcomes for citizens. The commercial turnaround in An Post shows what can be done when the service user rather than the service provider is prioritised.

- **ISME Recommendation:** We need a Public Spending Commission to assess and audit appropriate levels of spend by Department in the public service to ensure we achieve efficiency and effectiveness in our public spending. We need a standing Public Service Pay Commission similar to the Office of Manpower Economics in the UK to recommend fair rates of pay in our public service.

Our personal tax rates are not exceptionally high by European standards, but the income at which workers pay the marginal rate of taxation is at 88% of the average industrial wage. We should not remove more workers from the standard rate tax band; all workers must make some level of contribution.

- **ISME Recommendation:** Target the removal of 100% of workers on the average industrial wage from the marginal tax rate. Ensure that the 8.8% PRSI rate covers all earnings up to the national minimum wage, and index this annually with movements in the NMW. Reduce the standard and reduced VAT rates to 21% and 9% respectively.

While ISME has long campaigned for legal reform in order to tackle legal costs, it is now clear that the legal system is an impediment to infrastructure development, affordable housing, affordable family law, free speech, timely commercial dispute resolution, and is discouraging inward investment by FDI. For how much longer will this sector be protected from the IMF reform proposals?

- **ISME Recommendation:** Set comprehensive fee scales for the Circuit and High Courts, per the minority report published in the Report of the Review of the Administration of Civil Justice 2020. Require the Courts Service to immediately initiate procedural reforms making better use of ICT and case management. Direct the Legal Services Regulatory Authority to set out the process for establishing a specialist conveyancer profession immediately, as has occurred in the UK, New Zealand and Australia.

Our social insurance fund is €350 billion underfunded to meet its liabilities, yet Irish workers pay some of the lowest social contributions in Europe. ISME has long advocated a 2% PRSI rate to be applied to all earnings up to the current cut-off of €424 per week, and 6% on the balance.

- **ISME Recommendation:** Introduce a 2% PRSI rate on all income, and a 6% PRSI on all marginal income above €424 per week.

The decline in Electric Vehicle sales in 2024 shows that the public will not make the green transition without appropriate economic incentives in place to do so. The constant tinkering with incentives by DFIN is actively undermining efforts to decarbonise the economy.

- **ISME Recommendation:** Consumers and businesses availing of tax or purchase incentives must have visibility of their costs or liabilities for the useful duration of their asset.

Our workers and our business owners require upskilling to meet the demands of the 21st century business environment including the need to digitalise, to decarbonise, and to export. It is imperative, therefore, that the monies collected via the training levy are spent on elevating the skills of the Irish workforce, as originally intended.

- **ISME Recommendation:** Government must revert to pre-2016 apprenticeship supports for business owners. We want to see adoption and rollout of a basic business qualification for SME owners and managers, similar to or better than the ISME Blue Cert proposal.

A copy of the submission can be accessed [here](#).

Concerned about rising business costs?

Access up to 50% in
discounts on business
products & services
with the **ISME ADVANTAGE**
Affinity programme

**ISME members can save
now on**
www.isme.ie/advantage





Explore ISME Skillnet’s Brand New Website !

In early 2023 the ISME Skillnet team embarked on a new website build to improve efficiencies and an overall user experience. By adding been adding graphics and custom-written content, the new ISME Skillnet website makes it easier for visitors to interact with their training events and content.

This is an exciting time for the ISME Skillnet as we continue to grow our engagement with businesses wishing to upskill staff, improve parts of their business and assist with the growth of their bottom line. The new website is an important tool to help us continue this growth path and to provide training courses and events that truly resonate with Irish SMEs.

We encourage you to take a tour of the new website and to register as a new user of the site (this is separate to your ISME membership logins). You can be notified of new training programmes and be first to hear about our events.

The ISME Skillnet service is here to help both the business owner and their employees. ISME Members can receive up to 40% discount for ISME Skillnet training, view courses below.

UPCOMING COURSES:

COURSE	DATE	VIEW COURSE
Cyber Security Workshop	Wednesday, 5th June	View Course
Introduction to Canva	Wednesday, 12th June	View Course
Business & Email Etiquette	Tuesday, 25 th June	View Course
Customer Service and Complaints Handling	Thursday 27 th June	View Course

SCAN THE QR CODE TO FIND
THE FULL LISTING





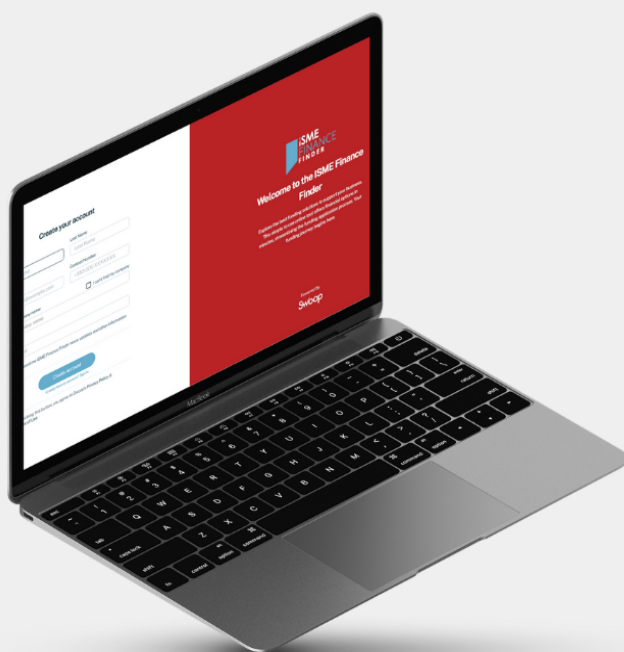
Do you want to...

start or expand your business?

improve cashflow?

acquire a business?

purchase property?



If so, your finance journey starts here

isme.ie/finance-finder