Written 23 August 2021

 **BUSINESS NEWS SCOTLAND**

Welcome to our round up of the latest business and Covid-19 news for our clients. Please contact us if you want to talk about how these updates affect your business. We are here to support you!

 **Latest UK economic figures**

According to the Office for National Statistics (ONS) latest data average pay in the UK jumped 7.4% and job vacancies hit a record 953,000 in the three months to July.



Early estimates for July 2021 indicate that the number of payrolled employees rose by 2.0% compared with July 2020, which is a rise of 576,000 employees but the number of payrolled employees is still down by 0.7% since February 2020, a fall of 201,000.

These figures show employment is in robust recovery as the economy reopens and the furlough scheme starts to be phased out. This is welcome news for business owners and hopefully we can all look towards the Autumn with more confidence.

See: [Home - Office for National Statistics (ons.gov.uk)](https://www.ons.gov.uk/)

**Future pandemic expert group established**

An expert group of leading scientists and medical specialists set up to advise the Scottish Government on preparing for the threat of future pandemics met for the first time last week.

The Standing Committee on Pandemics will be tasked with ensuring that the country is as prepared as possible for any future risks from novel pathogens.

See: [Future pandemic expert group established - gov.scot (www.gov.scot)](https://www.gov.scot/news/future-pandemic-expert-group-established/)

**Temporary protection for more applicants to the Settlement Scheme**

EEA citizens and their family members who apply late to the EU Settlement Scheme (EUSS) will have their rights protected as the Home Office continues to support those wanting to stay in the UK.

The Home Office has put in place comprehensive arrangements to enable those with reasonable grounds for missing the deadline to apply to the EUSS.

The UK Government has informed the European Commission and is working to implement this generous approach to provide further clarity to EU citizens.

Further details will be published in due course.

In the meantime, employers and landlords are advised to get in touch with the[Employer](https://www.gov.uk/employee-immigration-employment-status) and [Landlord](https://www.gov.uk/check-tenant-right-to-rent-documents/how-to-check) Checking Services if they have a prospective employee or tenant who has confirmation of a late application to the EUSS.

See: [Temporary protection for more applicants to the Settlement Scheme - GOV.UK (www.gov.uk)](https://www.gov.uk/government/news/temporary-protection-for-more-applicants-to-the-settlement-scheme)

**Cyber Runway - support scheme to help grow the cyber sector**

Innovative cyber start-ups, small businesses and scaleups could benefit from a new scheme to help them launch and grow their businesses.

Cyber Runway will see entrepreneurs and businesses across the UK get access to business masterclasses, mentoring, product development support, networking events and backing to trade internationally and secure investment so they can turn their ideas into commercial successes.

The Cyber Runway programme is funded by the Department for Digital, Culture, Media and Sport (DCMS) and delivered by Plexal in partnership with CyLon, Deloitte and The Centre for Secure Information Technologies (CSIT). The programme aims to support at least 160 organisations and companies over the course of six months.

Companies participating in DCMS’s cyber growth initiatives in the past have, on average, more than tripled their revenues year on year.

Expressions of interest from applicants, mentors and investors can now be made.

See: [Cyber Runway - Plexal](https://www.plexal.com/cyber-runway/)

**Employers ‘named and shamed’ for paying less than minimum wage**

191 businesses were recently named for breaking national minimum wage law.

Following investigations by Her Majesty’s Revenue and Customs, a total of £2.1 million was found to be owed to over 34,000 workers.

The breaches took place between 2011 and 2018. Named employers have since been made to pay back what they owed, and were fined an additional £3.2 million, showing it is not acceptable to underpay workers.

The UK government recently gave millions a pay rise, by [increasing National Living Wage and National Minimum Wage rates](https://www.gov.uk/government/news/uk-government-announces-pay-rise-for-millions-of-people) in April 2021. The rise means someone working full time on the National Living Wage will be taking home £5,400 more annually than they were in 2010. Every single UK worker is entitled to the National Minimum Wage, no matter their age or profession.

Whilst not all minimum wage underpayments are intentional, it has always been the responsibility of all employers to abide by the law. [Clear guidance](https://www.gov.uk/guidance/calculating-the-minimum-wage) is available on gov.uk, which all employers should check.

Minimum wage breaches can occur when workers are being paid on or just above the minimum wage rate, and then have deductions from their pay for uniform or accommodation.

The employers named today previously underpaid workers in the following ways:

* 47% wrongly deducted pay from workers’ wages, including for uniform and expenses
* 30% failed to pay workers for all the time they had worked, such as when they worked overtime
* 19% paid the incorrect apprenticeship rate

See: [Employers ‘named and shamed’ for paying less than minimum wage - GOV.UK (www.gov.uk)](https://www.gov.uk/government/news/employers-named-and-shamed-for-paying-less-than-minimum-wage)

**Employer webinars from the Equality Commission**

With their employer training programme currently suspended due to the ongoing coronavirus pandemic, the Equality Commission are now providing a number of training sessions as online webinars. These will focus on a number of issues for employers. Topics include an introduction to understanding equality in the workplace, promoting sex equality, people with disabilities, employees with mental health and age equality.

See: [Employer webinars from the Equality Commission (nibusinessinfo.co.uk)](https://www.nibusinessinfo.co.uk/content/employer-webinars-equality-commission)

**Grants of up to £15,000 available to Social Entrepreneurs**

Grants of up to £15,000 plus business support are available to social entrepreneurs that are looking to start or grow an existing social venture; the funding is being made available through the UnLtd.

UnLtd are committed to providing 50% of their awards to Black, Asian and minority ethnic social entrepreneurs, and/or disabled social entrepreneurs. To be eligible applicants need to be aged 16 or over, living in the UK and are looking to fulfil a clear social need and demand.

The closing date for this funding round is the 30 September 2021.

See: [UnLtd - Awards | Apply For Funding & Support | UnLtd |](https://www.unltd.org.uk/awards/)

**HMRC Employer Bulletin August 2021**

The August edition of the Employer Bulletin covering HMRC updates and guidance to support employers and payroll agents was released last week. There is information on:

* UK Transition and the changes to right to work checks from 1 July 2021
* COVID-19 information with updates on Coronavirus Job Retention Scheme
* PAYE
* tax updates and changes to guidance, including updates on the off-payroll working rules support and P11D(b) penalty warning letter
* general information and support.

See: [Employer Bulletin: August 2021 - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/employer-bulletin-august-2021)

**Pandemic has “shifted the fiscal landscape”.**

New figures highlight the impact coronavirus (COVID-19) has had on the economy and public spending in Scotland.

The Government Expenditure and Revenue Scotland (GERS) 2020-21 statistics show record public spending of £99.2 billion, an increase of 21% on 2019-20. This increase reflects the scale of Scottish Government support during the pandemic, with £9 billion invested in public health measures, NHS Scotland, businesses and financial help for individuals.

Revenues totalled £62.8 billion, down from £66.2 billion in 2019-20. This includes a drop in North Sea receipts of 35% as worldwide demand for oil and gas fell sharply, as well as lower receipts from non-domestic rates and VAT.

In common with countries around the world, the significant rise in spending caused by COVID-19 meant Scotland’s notional deficit, the difference between income and expenditure, rose – up 13.6 percentage points to 22.4% of GDP.

See: [COVID impacts Scotland’s finances - gov.scot (www.gov.scot)](https://www.gov.scot/news/covid-impacts-scotlands-finances/)

**Work begins on a Minimum Income Guarantee**

Scotland is taking its first steps on the road to establishing a Scottish Minimum Income Guarantee (MIG). Social Justice Secretary Shona Robison last week co-chaired the first meeting of a new steering group to drive forward the government’s new policy with the aim of reducing poverty, inequality and insecurity. Ms Robison has also launched a consultation to gather views on how establishing a Minimum Income Guarantee - which would provide an assurance that everyone would have enough money to live a dignified, healthy and financially secure life – could be designed and delivered in Scotland.

See: [Work begins on a Minimum Income Guarantee - gov.scot (www.gov.scot)](https://www.gov.scot/news/work-begins-on-a-minimum-income-guarantee/)

**Help to Grow: Digital**

Help to Grow: Digital is a new UK-wide scheme to help small and medium size businesses (SMEs) adopt digital technologies that are proven to increase their productivity.

The scheme will offer SMEs free and impartial advice on how technology can help their business. An online platform will help them to:

* identify their digital technology needs
* assess technology purchasing options
* implement new technologies in their operations

The scheme will also offer eligible SMEs a [grant token](https://www.gov.uk/guidance/help-to-grow-digital-apply-to-become-a-vendor#grant-token) worth up to £5,000 to cover up to half of the costs of pre-approved, digital technology solutions.

The Help to Grow: Digital scheme will be launched in the Autumn. It will run for 3 years, taking a phased approach over a number of waves. Each wave will provide the opportunity to roll out new technologies and functionalities for SMEs and vendors.

See: [Help to Grow: Digital - apply to become a vendor - GOV.UK (www.gov.uk)](https://www.gov.uk/guidance/help-to-grow-digital-apply-to-become-a-vendor)

**COVID-19 GOVERNMENT SUPPORT NEWS**

Below is our weekly roundup of changes to government support information generally and for businesses, employers and the self-employed.

 **Coronavirus Job Retention Scheme (CJRS) update**

The Coronavirus Job Retention Scheme has been extended until 30 September 2021. For claims relating to August and September 2021, the government will pay 60% of wages up to a maximum cap of £1,875 for the hours the employee is on furlough.

Claims for furlough days in August 2021 must be made by 14 September 2021.

Claims for September must be submitted by 14 October 2021 and any amendments must be made by 28 October 2021.

Please talk to us if you have any questions regarding the CJRS.

See: [Claim for wages through the Coronavirus Job Retention Scheme - GOV.UK (www.gov.uk)](https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme?utm_medium=email&utm_campaign=govuk-notifications&utm_source=c3b7d581-5a88-43a4-9877-8443c3495f0e&utm_content=daily)

**Self-Employment Income Support Scheme (SEISS) update**

HMRC has released guidance entitled “Check if you need to change your Self-Assessment return for SEISS”:

You need to check your Self-Assessment return if you have:

* already submitted your 2020 to 2021 Self-Assessment tax return online
* claimed a SEISS grant before 6 April 2021

HMRC may have made an adjustment to your return if:

* the amount of the SEISS payments put in the SEISS box does not match HMRC records
* there was no SEISS amount entered
* you did not submit a Self-Employment or partnership page (SA103 or SA104) and received SEISS payments

Payments from the first, second and third SEISS grants (received on or before 5 April 2021) should have been included on your 2020 to 2021 return in the box for Self-Employment Income Support Scheme grants. These can be found:

* on page 2 of the ‘other tax adjustments’ section, within the Self Employment (full) page (SA103F) – this is Box 70.1 on the paper return
* in the ‘other tax adjustments’ section of the Self Employment (short) page (SA103S) – this is Box 27.1 on the paper return
* on page 2 of the ‘trading or professional profits’ section of the partnership page (SA104) – this is Box 9.1 on the paper return
* at section 3.10A of the SA200 tax return

HMRC are correcting returns where SEISS grants have been reported incorrectly.

If HMRC have corrected your return, you must check whether you used the correct boxes or not.

Please contact us if you need help in completing your Self-assessment return.

**Reimagine Grants**

The closing date for applications is today, 23 August 2021.

The Reimagine project grants aim to help organisations such as UK public museums, galleries, historic houses, archives and libraries, agencies, and festivals as they reimagine their activities following the pandemic. They offer support to build expertise, capacity and connections within and outside the sector.

These grants are not intended to provide ‘emergency’ or ‘recovery’ funding and the scheme is designed to exist within and address the present, challenging environment, and to prepare organisations for the future. The project offers grants of £5,000 up to £50,000.

The aim is to fund projects that meet both aims and address at least one of the priority areas for support:

* collections
* digital
* engagement
* workforce

See: [Reimagine grants - Art Fund](https://www.artfund.org/supporting-museums/programmes/reimagine-grants)

**Government-backed insurance scheme to give support to events industry**

The live events sector is set to get a boost with a government-backed insurance scheme worth over £750 million, which will help them plan events with confidence through to next year, the Chancellor Rishi Sunak announced last week.

 As the economy reopens with the lifting of Covid restrictions, getting the right kind of insurance is acting as a barrier for some events organisers so the government has partnered with Lloyd’s to deliver the Live Events Reinsurance Scheme as part of the Plan for Jobs. The scheme will see the government act as a ‘reinsurer’ – stepping in with a guarantee to make sure insurers can offer the products events companies need.

See: [Government-backed insurance scheme to give boost to events industry - GOV.UK (www.gov.uk)](https://www.gov.uk/government/news/government-backed-insurance-scheme-to-give-boost-to-events-industry)

**DVLA Coronavirus (COVID-19) update**

Find out the date of applications DVLA are processing and how to access their online services.

DVLA are currently operating with reduced staffing levels on site due to ongoing industrial action by members of the Public and Commercial Services Union (PCS) and some social distancing measures remaining in place to ensure the safety of staff.

Industrial action has been taking place since April and PCS is targeting a variety of areas within DVLA designed to have maximum negative impact on members of the public. This means that there are continuing delays with paper applications and in reaching our contact centre. There are no delays for those applying online.

Currently, paper applications, including where further information has been required from you after an online application, are likely to take 6 to 10 weeks to process. There may be additional delays in processing more complex transactions, for example, if medical investigations are needed as part of your driving licence application.

An online application will usually mean DVLA can print and dispatch your licence or documents within 5 days of you applying online

See: [DVLA Coronavirus (COVID-19) update - GOV.UK (www.gov.uk)](https://www.gov.uk/guidance/dvla-coronavirus-covid-19-update?utm_medium=email&utm_campaign=govuk-notifications&utm_source=6fe5a0cd-66da-490b-8e72-ae424f9e88af&utm_content=daily)

**Access to Work: factsheet for customers**

This factsheet offers guidance about the Access to Work Scheme and how it can help overcome barriers to starting or keeping a job if you have a disability or long term health condition.

Access to Work is a publicly funded employment support programme that aims to help more disabled people start or stay in work. It can provide practical and financial support if you have a disability or long term physical or mental health condition.

An Access to Work grant can pay for practical support to help you:

* start working
* stay in work
* move into self-employment or start a business

How much you get depends on your circumstances. The money does not have to be paid back and will not affect your other benefits. The full details can be accessed on the webpage below.

See: [Access to Work: factsheet for customers - GOV.UK (www.gov.uk)](https://www.gov.uk/government/publications/access-to-work-factsheet/access-to-work-factsheet-for-customers)

**Fair Start Scotland**

A new marketing campaign has launched to ensure more people can access advice and support, including those who may be finding it more difficult to secure and retain employment as a result of the coronavirus (COVID-19) pandemic.

The national employment service Fair Start Scotland provides personalised and tailored support to those who have struggled to find and stay in work due to their personal circumstances. This may include caring commitments, health conditions or disabilities or other challenges caused by long-term unemployment.

See: [Thousands helped by Fair Start Scotland - gov.scot (www.gov.scot)](https://www.gov.scot/news/thousands-helped-by-fair-start-scotland/)