

Written 24 January 2022

BUSINESS NEWS SCOTLAND

Welcome to our round up of the latest business 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!

Prepare your business for Making Tax Digital (MTD) for VAT

Making Tax Digital for VAT becomes mandatory for all VAT registered businesses from 1 April 2022



Businesses with a taxable turnover above £85,000 have already been required to follow Making Tax Digital, keeping digital records and filing VAT returns using compatible software since April 2019.

From 1 April 2022, all VAT registered businesses must file digitally through Making Tax Digital from 1 April 2022, regardless of turnover.

We can sign you up to MTD, although you will be responsible for meeting your VAT obligations. Those who do not join Making Tax Digital for VAT may be charged a penalty for failure to do so.

If your business has not signed up to MTD compatible bookkeeping software then please talk to us urgently about how we can help your business comply with the new law.

Submitting your tax return

If you've already sent us your information and we have submitted your return to HMRC, thank you! You don't need to do anything else other than pay any amount due.

If you have not sent us your information and (because of Coronavirus) HMRC are waiving late filing and late payment penalties for one month – giving you extra time, if you need it, to send your information to us so we can complete your tax return and submit it to them.

You will not receive a late filing penalty as long as your tax return is filed online by 28 February. Interest will be charged from 1 February on any outstanding liabilities you have not paid. You will not be charged a 5% late payment penalty if you pay your tax or make a Time to Pay arrangement by 1 April.

If you can't pay in full by 31 January because of financial difficulties HMRC may be able to help by arranging a payment plan. Payment plans or payments in full must be in place by midnight on 1 April to avoid a late payment penalty. If you owe less than £30,000, you may be able to do this online without speaking to them. Go to GOV.UK and search 'HMRC payment plan'.

Please contact us if you need assistance.

Omicron measures lifted

Additional measures aimed at stemming the spread of the Omicron variant whilst the vaccination booster programme took effect are to be lifted.

From today 24 January, restrictions including one metre physical distancing in hospitality and leisure settings and table service in hospitality venues will not be required and attendance limits at indoor events will be removed. Non-professional indoor contact sports will also resume.

Nightclubs can reopen and whilst the Covid certification scheme will not be extended at this stage, regulations will be updated to ensure venues cannot avoid the scheme by putting tables on dancefloors whilst still allowing dancing.

People will continue to be asked to work from home whenever possible, with employers asked to facilitate this. However, the Government will engage with businesses now about a return to a more hybrid approach from the start of February if case numbers continue to decline.

The guidance to keep social interaction at home and in indoor public places to a maximum of three households is also being lifted, but given case numbers remain high, the public are being asked to be cautious and to limit contacts where possible, in addition to taking lateral flow tests before meeting people from other households.

Further baseline measures including a requirement to collect customer details in hospitality settings, the use of face coverings in public places and on public transport in addition to the current Covid certification scheme will remain in place to limit the spread of Omicron and reduce pressure on essential services.

See: [Omicron measures to be lifted - gov.scot \(www.gov.scot\)](https://www.gov.scot)

Police CyberAlarm

The Police CyberAlarm is a free tool to help your business understand and monitor malicious cyber activity. Police CyberAlarm acts as a "CCTV camera" monitoring the traffic seen by your businesses' connection to the internet. It will detect and provide regular reports of suspected malicious activity, enabling your business to minimise your vulnerabilities.

Once you become a 'Police CyberAlarm' member, you install a 'CyberAlarm Virtual Server' on your system, which will be used to collect and process traffic logs identifying suspicious activity from your firewall/internet gateway.

What are the benefits to my business?

- regular reporting
- identify your business vulnerabilities
- business information and intelligence
- helping the police help you

See: [Police CyberAlarm](#)

Discover 5G technology in Japan

Japan is embracing 5G and is expected to become the leading force in cellular technology by 2026. With this Innovate UK-funded Global Business Innovation Programme (GBIP), this is your chance to showcase your business to Japan's game-changing cellular technology business ecosystem, with a four-day market visit.

Up to 15 ambitious UK businesses will be selected to explore the growth opportunities in this market, and an exclusive chance to connect with innovation collaborators, partners and those like-minded.

This initiative is relevant for businesses that focus on the diversification of the UK's 5G ecosystem, including enhanced cybersecurity, speed of deployment and a reduction in the integration barriers.

See: [Innovate UK's Global Business Innovation Programme Flyer \(ukri.org\)](#)

Hydrogen BECCS Innovation Programme

The Department for Business, Energy & Industrial Strategy (BEIS) has launched a new programme to help develop innovative technologies to produce hydrogen, a clean energy source, from sustainable biomass and waste.

The Hydrogen BECCS Innovation Programme is funded through the £1 billion Net Zero Innovation Portfolio, which aims to accelerate the commercialisation of innovative clean energy technologies and processes through the 2020s and 2030s.

BECCS technology can uniquely offer the ability to remove carbon dioxide from the atmosphere, as the CO₂ absorbed during the growth of the sustainable biomass and the organic content found in waste can then be permanently removed from the atmosphere using carbon capture technologies. Hydrogen BECCS technologies therefore have a key role to play on the UK's path to net zero emissions, providing hydrogen as a clean fuel for hard-to-decarbonise sectors such as transport and heavy industry, while also removing greenhouse gases from the atmosphere.

See: [New scheme for technologies producing hydrogen from biomass \(nibusinessinfo.co.uk\)](#)

Diffuse Coastal Pollution Challenge

Geovation and the UK Hydrographic Office (UKHO) have launched a challenge to find a sustainable solution to diffuse coastal pollution.

Diffuse pollution is pollution from multiple, often unidentified sources. Diffuse pollution causes significant damage to the coastal environment. Impacts of diffuse pollution are disturbing, including eutrophication, loss of biodiversity, human health, and adverse effects to the food chain.

The main source of water quality degradation worldwide is diffuse pollution. Half of the world's population suffer from polluted water; freshwater diversity has declined by 81 per cent and 500 marine locations are now dead zones. All these issues are significant effects of diffuse coastal pollution, the ripple effect is global.

Geovation's approach is grounded in research and collaboration - working together with innovators and start-ups is key to proposing the most effective and long-term real solutions.

The challenge is open to UK residents over 18 years old and UK registered Ltd companies. Joining the challenge offers several benefits including:

- up to £5,000 for challenge winners
- a chance to collaborate with UKHO and Ordnance Survey
- PR opportunities
- getting access to the most cutting edge data

On initial registration for the challenge you will get access to the data, information and primary and secondary research Geovation and UKHO have carried out, which will help you create your solution.

You can then make a full application to the challenge - applicants will need to submit a slide deck and video. After the successful start-ups have been announced, Geovation will work with them to refine, and challenge proposed solutions. Following that, pitching will take place and the winners will be announced and awarded the cash prize.

See: [Diffuse Coastal Pollution Challenge | Geovation](#)

Driving the Electric Revolution – Building Talent for the Future 2

Innovate UK's Driving the Electric Revolution challenge, part of UK Research and Innovation, is investing up to £4.5 million in grants for projects building talent for the future.

The aim of this competition is to create and deliver course content and materials that will support skills, talent and training across Power Electronics, Machines and Drives (PEMD) manufacturing and supply chains; building awareness of PEMD and filling key gaps in the UK's workforce talent and training capabilities.

Opportunities could include but are not limited to:

- schools' engagement
- apprenticeships and internships
- upskilling and reskilling of existing workforce
- technical courses and vocational training
- undergraduate, postgraduate and continuing professional development (CPD)

This is an expression of interest (EoI) stage of a two stage competition. There is no funding at this EoI stage. If you are successful in this stage, you will be invited to apply into the full stage competition, which will open in March 2022.

See: [Competition overview - Driving the Electric Revolution – Building Talent for the Future 2: EoI - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

Vaccine certification scheme - information for businesses and event organisers

Customers must show proof that they have been fully vaccinated (or are otherwise exempt) to get into certain events and late-night premises in Scotland. This is known as the vaccine certification (or COVID passport) scheme.

In settings where vaccine certification is required, businesses, venues and event organisers will need to ensure there is a reasonable and proportionate system to check and restrict entry to only those who can show proper certification (or proof they are exempt).

Businesses and event organisers should have a compliance plan in place. This should describe the system for checking and restricting entry that will operate for your premises and any other measures that are or will be in place to prevent or minimise the risk of COVID-19 being spread.

The guidance covers:

- which premises and events are included in the scheme
- how the scheme can be implemented at various venues and events
- individuals who are exempt
- what premises and event organisers need to do
- enforcement and offences
- how to check customers' vaccine status
- support available for businesses
- businesses which choose to use the scheme voluntarily

See: [Coronavirus \(COVID-19\): certification scheme - information for businesses and event organisers - gov.scot \(www.gov.scot\)](#)

Offshore Wind Cluster Builder

The Offshore Wind Cluster Builder works with small and medium-sized enterprises (SMEs) in Scotland to promote opportunities and address challenges in the offshore wind sector. This service offers SMEs the opportunity to participate in sector-specific events and benefit from one-to-one bespoke support and raises awareness of and signposts to other support services. The programme also supports the Scottish Government's net zero and climate change targets.

The cluster builder is an independent resource that works with and supports the 2 existing offshore wind clusters in Scotland: Forth & Tay Offshore and DeepWind.

Activities include:

- bespoke events and workshops
- one-to-one support for SMEs
- awareness raising, signposting and information sharing
- establishing collaborations between SMEs and research institutes, including academia and innovation centres

The Offshore Wind Cluster Builder project is part-funded by the 2014–2020 European Structural and Investment Fund. The service is delivered by Xodus Group.

See: [Offshore Wind Cluster Builder \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Blue Economy Cluster Builder

The Blue Economy Cluster Builder will work with small and medium-sized enterprises (SMEs) in Scotland to communicate and raise awareness of the benefits of the blue economy. It will enable businesses to take advantage of opportunities in this area, to help increase the number of Scottish companies operating in the sector and support the development of the industry in Scotland.

This programme aims to connect SMEs from across different sectors, including low carbon energy, subsea engineering, offshore renewable energy, marine shipping, power in the sea, fish processing, aquaculture, marine transport, oil and gas, marine protection, sensors, IoT, new materials, and more.

In this way, the cluster builder can identify new products, technology and services, as well as possible skills gaps and barriers to growth. It can then prepare SMEs for future opportunities and facilitate collaborations.

Cluster builder activities include:

- events for SMEs
- one-to-one support for SMEs
- building a sustainable cluster and raising awareness of SME capabilities in the Scottish blue economy
- establishing collaborations between SMEs and research institutes, including academia and innovation centres
- market intelligence for SMEs

The Blue Economy Cluster Builder project is part-funded by the 2014–2020 European Structural and Investment Fund. The service is delivered by Aquatera Ltd.

See: [Blue Economy Cluster Builder | The Blue Economy Cluster Builder enables Scottish SMEs to take advantage of commercial, innovative and economic opportunities within the Blue Economy, in Scotland and internationally \(scottishblueeconomy.co.uk\)](https://scottishblueeconomy.co.uk)

Omicron top up funding for events businesses

VisitScotland will distribute funding worth up to £28.8 million to the tourism and events industry as part of a multimillion-pound Scottish Government support package for businesses impacted by the spread of the Omicron COVID variant.

The funding includes up to £19.8 million for events businesses, which will be distributed by VisitScotland and its EventScotland team on behalf of the Scottish Government.

The fund will support events businesses directly affected by the public health measures introduced in December 2021 to limit the rapid spread of the Omicron variant.

VisitScotland is committed to ensuring it is as simple as possible for businesses to access the money and is working on a process to ensure the funding goes to the businesses most in need. To help funding reach businesses in the quickest way possible, a top-up payment will be made to eligible businesses previously supported in 2021.

See: [Omicron top up funding for events businesses \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Coronavirus funding for businesses affected by Omicron control measures

Funding is available for businesses affected by measures introduced in December 2021 to control the spread of coronavirus (COVID-19).

Close contact services

Further details on the funding available for close contact businesses, including hairdressers and beauticians, will be published shortly.

Creative freelancers

Creative freelancers working in the arts, screen and creative sectors who are experiencing immediate financial hardship because of cancellations and deferrals can apply for the COVID-19 Cancellation Fund for Creative Freelancers.

[View guidance and eligibility for freelancers](#) on the Creative Scotland website.

Events sector

Events businesses which have been affected by the new COVID restrictions in December 2021 and January 2022 and have previously received funding through either of the Event Industry Support Funds or the Pivotal Event Businesses Fund will be eligible for a top-up payment. Eligible businesses will be contacted directly from 24 January.

[Read more about eligibility and criteria](#) on the VisitScotland website.

Hospitality businesses

Hospitality businesses which have lost bookings during the festive trading period and previously received support through the Strategic Framework Business Fund will receive a top-up payment. Eligible businesses will be contacted directly by their local authority.

[View guidance and eligibility for hospitality](#) on the Scottish Government website.

Hospitality and leisure businesses

Hospitality and leisure business that are impacted by the requirements for physical distancing and capacity limits that came into force from 27 December 2021 and previously received support through the Strategic Framework Business Fund will receive a top-up payment. Eligible businesses will be contacted directly by their local authority.

[View guidance and eligibility for hospitality and leisure businesses](#) on the Scottish Government website.

Nightclubs

The Nightclub Closure Fund will provide financial support to eligible nightclubs that are required to close to members of the public. Nightclubs which have previously received support have been contacted and asked to complete an application by 14 January 2022.

[Read guidance and eligibility for nightclubs](#) on the Scottish Government website.

Taxis and private hire

The Taxi and Private Hire Driver and Operator Support Fund 2022 will provide a one-off payment to eligible drivers and operators. Local authorities will make a further payment to all drivers and operators who previously received a grant through the Taxi and Private Hire Driver and Operator Support Fund in 2021.

[Read guidance and eligibility for taxis and private hire](#) on the Scottish Government website.

Tourism sector

Parts of the tourism sector previously supported by VisitScotland will be eligible for funding including coach operators, day tour operators, hostels, inbound tour operators, outdoor and marine and visitor attractions.

[View guidance for the tourism sector](#) on the VisitScotland website.

Wedding sector

The Scottish Wedding Industry Fund Top-Up will support businesses whose trade was impacted by the measures to control the spread of coronavirus (COVID-19) in December 2021 and January 2022. Eligible businesses will receive an additional 12.5% of their original grant awards and are being contacted directly by the enterprise agencies from the 20 January 2022. Businesses will be contacted by Highlands and Islands Enterprise (HIE), Scottish Enterprise or South of Scotland Enterprise (SOSE), depending on the geographic area in which the business is located.

[View guidance for the wedding sector](#) on the Scottish Enterprise website.

Wholesale food and drink

A further round of the Scottish Wholesale Food and Drink Resilience Fund will run in January 2022.

Cultural organisations

Cultural organisations which have been financially impacted by the cancellation or postponement of cultural activity due to take place from 27 November 2021 to 31 March 2022 can apply for the COVID-19 Cancellation Fund for Cultural Organisations. Guidance

notes are now available to help you prepare to apply. Applications will open at 2pm on 26 January 2022, and close at 2pm on 2 February 2022.

[View guidance and eligibility for cultural organisations](#) on the Creative Scotland website.

See: [Coronavirus funding for businesses affected by Omicron control measures \(findbusinesssupport.gov.scot\)](#)