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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!

More tax rises on Wednesday?

Over the last year we have learnt that corporation tax will increase in 2023 and that there will be a 1.25% rise in National Insurance Contributions (NICs) from April 2022 paid by employers, employees, self-employed and for those with share dividend income.

Personal allowances have been frozen at £12,570, basic rate at £37,700 and the higher rate at £50,270 until 2026.

Chancellor Rishi Sunak has stated the need to "fix" the nation's finances as the economy emerges from the COVID-19 pandemic, declaring: "Our recovery comes with a cost."

On Wednesday we can expect further tax rises to be announced in the Budget to fund the support given for the vaccine rollout, the Furlough and self-employed support schemes.



So what are the tax planning options available for companies and individuals?

For companies it is all about the most tax efficient way of extracting profits such as dividends verses salary, contributions to pensions and receiving tax efficient benefits. Also important is utilising capital allowances and thinking carefully about the timing of expenditure.

For the self-employed, protective claims for tax credits should be considered if profits fluctuate.

If you are married, options are available to fully utilise personal allowances and ownership of income producing assets such as investments and rental properties.

One crafty way for the Chancellor to bring in extra tax revenue without raising headline tax rates would be to limit some of the generous tax breaks that are currently available. He may therefore consider some of the measures suggested by the Treasury Select Committee, or the Office of Tax Simplification (OTS) last year. The Treasury Select Committee specifically drew attention to the cost of pension tax relief (£41 billion in 2019) and CGT private

residence relief (£25 billion) so we can perhaps expect further restrictions to those reliefs. The OTS have carried out a detailed review of both CGT and IHT, so we anticipate changes to those taxes to bring in extra revenue. Something to listen out for is a possible change to the CGT rules when assets are transferred on death. Currently assets such as the family home or the family business are transferred at market value at the date of death without CGT being payable. It has been suggested that instead of market value the assets are transferred at the deceased's base cost, which might be just £100 in the case of shares in the family company. Although there would be no CGT payable at the time the effect would be to create a large potential CGT bill for the next generation.

When it comes to pensions there are rumours yet again that higher rate relief for contributions into personal pensions may be removed and replaced with flat rate tax relief of say 25%. That would encourage basic rate taxpayers to save more in their pension at the expense of those paying tax at 40% or 45%. Higher rate taxpayers with spare cash should perhaps consider putting more into their pensions before Budget Day.

Personal pension contributions remain tax efficient for all. Company contributions to an employee's pension will attract corporation tax relief and will be free of income tax and national insurance for the employee (up to certain limits). Individuals can claim relief from income tax and national insurance for contributions to personal pension schemes (subject to certain limits).

These are just a few of the options for planning ahead and now is the time to sit down and arrange your affairs to ensure you are as tax efficient as you can be. We would be delighted to work out a plan with you so please contact us.

Working Tax Credit customers must report changes to working hours

HMRC is urging Working Tax Credit customers to check if they need to update their working hours if these have reduced as a result of coronavirus.

During the pandemic, Working Tax Credit customers have not needed to tell HMRC about temporary short-term reductions in their working hours as a result of coronavirus - for example if they were working fewer hours or were furloughed.

If a Working Tax Credit customer's hours temporarily fell because of coronavirus, they have been treated as if they were working their normal hours.

Customers do not need to tell HMRC if they re-establish their normal working hours before 25 November 2021, but from then, they must do within the usual one-month window if they are not back to working their normal hours shown in their Working Tax Credit claim.

See: [Working Tax Credit customers must report changes to working hours - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/working-tax-credit-customers-must-report-changes-to-working-hours)

Menopause in the Workplace Toolkit

The UK workforce is ageing. People want and need to work for longer and employers need to draw more effectively on an older workforce. For women this is particularly true – they have been the major drivers of growth in the older workforce over the last decade.

Many women now return to work after childbirth and the reform of the pension system has extended women's working lives. There are now five million women over 50 in the workplace, and many will be transitioning through the menopause.

Employers are now understanding the importance of supporting employees during the menopause in order to retain valuable knowledge, skills and experience within a key workplace demographic. The experience of these leading employers has shown that often simple actions, such as education and awareness-raising, can make a real difference.

The Menopause in the Workplace Toolkit has been produced by Business in the Community (BITC) in collaboration with The Open University, University of Bristol and De Montfort University.

The [Menopause Toolkit](#) is available to all during October 2021.

It provides insight on how the menopause impacts on women in the workplace and information on:

- reducing business costs
- what employers can do to help
- additional resources

See: [Menopause in the Workplace - Business in the Community \(bitc.org.uk\)](https://bitc.org.uk)

UK government secures COVID-19 antivirals

In view of criticism about the slow roll out of booster jabs and rising numbers of infections and deaths, the UK government has secured COVID-19 antivirals to be rolled out through a clinical study from winter. The deals made by the Antivirals Taskforce are a step in its ambition to secure at least two new effective treatments by the end of the year for those who have either tested positive for COVID-19 or have been exposed to someone with the virus.

Should the treatments be approved by the UK's medicines regulator, thousands of NHS patients will be able to access the treatments to prevent the infection from spreading and speed up recovery time. The two new antivirals are expected to be given to those most at risk from the virus, helping reduce the severity of symptoms and ease pressure on the NHS over winter.

See: [UK government secures groundbreaking COVID-19 antivirals - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Working in Europe?

As travel returns to a more normal environment, the UK government has started a campaign to remind business travellers of the rules for travel to an EU country, Switzerland, Norway, Iceland or Liechtenstein.



As well as the [actions all travellers need to take](#), there are extra actions if you are travelling for business. Business travel includes activities such as:

- travelling for meetings and conferences
- providing services (even with a charity)
- touring for art or music
- taking goods to sell

If you are travelling to an EU country, Switzerland, Norway, Iceland or Liechtenstein for less than 90 days in a 180-day period, you may be able to do some things without getting a visa or work permit, for example going to a business meeting. You may need a visa, work permit or other documentation if you are planning to stay for longer than 90 days in a 180-day period, or if you will be doing any of the following:

- transferring from the UK branch of a company to a branch in a different country ('intra-corporate transfer'), even for a short period of time
- carrying out contracts to provide a service to a client in another country in which your employer has no presence
- providing services in another country as a self-employed person

Check the entry requirements and rules of the country you are visiting to find out if you need a visa or work permit.

The government also gives advice on professional qualifications, earning money in the EU, insurance and taking goods and cash into the EU.

See: [Visiting the EU, Switzerland, Norway, Iceland or Liechtenstein: Business travel: extra requirements - GOV.UK \(www.gov.uk\)](https://www.gov.uk/visiting-the-eu-switzerland-norway-iceland-or-liechtenstein-business-travel-extra-requirements)

Coronavirus: Film and TV Production Restart Scheme

The Film and TV Production Restart Scheme makes direct compensation available to eligible pre-existing and new productions that incur costs caused by coronavirus-related losses, such as abandonment or filming delays from illnesses amongst the cast and crew.

Eligible productions will receive compensation for costs caused by coronavirus delays up to a value of 20 per cent of the production budget, with the abandonment of productions due to coronavirus to be covered up to 70 per cent of the production budget. There will be a total cap of £5 million on claims per production.

The funding is available to all productions made by companies where at least half of the production budget is spent in the UK.

You must make an application via the appointed third party administrator, Marsh Commercial.

You can download the claim form from their website. Once complete, email your form along with all supporting documentation to <mailto:restartschemeclaims@marshcommercial.co.uk>.

Future claims made under the scheme can be backdated to 28 July 2020.

The registration deadline for this scheme is 23:59 GMT on 30 April 2022, and claims will be able to be submitted up to 23:59 GMT on 30 September 2022 for losses incurred up until 23:59 GMT on 30 June 2022.

See: [Film & TV Production Restart Scheme - Scheme Rules - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/schemes/film-and-tv-production-restart-scheme)

Circular economy for SMEs – innovating with the NICER programme

Innovate UK, part of UK Research and Innovation, is investing up to £1 million in circular economy innovation projects.

This funding forms part of the UKRI National Interdisciplinary Circular Economy Research programme (NICER), enabling SMEs to engage with and benefit from access to expertise at five research centres via collaborative research and development (CR&D) activities.

The aim of this competition is to support feasibility studies, industrial research and experimental development that address the challenges of transitioning to a circular economy. This competition closes at 11am on 8 December 2021.

Your proposal must demonstrate how you will create a step-change in the adoption of circular economy approaches.

The project must:

- have total eligible costs between £50,000 and £100,000
- start no earlier than 1 April 2022
- end by 31 March 2023

- last between 9 and 12 months
- carry out all of its project work in the UK
- intend to exploit the results from or in the UK

See: [Competition overview - Circular economy for SMEs – innovating with the NICER programme - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

Private providers of coronavirus (COVID-19) testing

The lists of and information about private providers who have self-declared that they meet the government's minimum standards for the type of commercial COVID-19 testing service they offer has been updated.

See: [Private providers of coronavirus \(COVID-19\) testing - GOV.UK \(www.gov.uk\)](#)

DVLA Coronavirus (COVID-19) update

DVLA online services are working as normal and without delay. This is the quickest, easiest, and often cheapest way to deal with them. They recommend that you use the online services where possible. If you apply online, you should receive your driving licence or vehicle registration certificate (V5C) within 5 days.

If you have posted your paper application to them, [here are the dates of applications they are currently processing](#).

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

See: [DVLA Coronavirus \(COVID-19\) update - GOV.UK \(www.gov.uk\)](#)

Submit your Kickstart Scheme vacancies

Applications to the Kickstart Scheme are closing soon. After 17 December 2021 you will not be able to apply for a new Kickstart Scheme grant or add more jobs to an existing grant agreement

You can submit your Kickstart Scheme vacancies after you have received a successful outcome to your online Kickstart Scheme grant application below.

See: [Submit your Kickstart Scheme vacancies - GOV.UK \(www.gov.uk\)](#)

Vaccine certification enforcement underway

The Coronavirus vaccine certification scheme became subject to enforcement from 18 October, meaning higher risk venues and events affected must verify customers are fully vaccinated, or otherwise exempt, before entry.

People attending a range of late night venues and larger indoor and outdoor live events, such as music festivals or large sporting events, will be required to show staff proof they are fully vaccinated or are otherwise exempt. This can be done via the NHS Scotland Covid Status App on their mobile device or using the paper certificate.

See: [Vaccine certification enforcement gets underway - gov.scot \(www.gov.scot\)](https://www.gov.scot/topics/health/covid-19/vaccine-certification)

Creating resilient and sustainable islands

People living in Scotland's island-based communities will benefit from new funding for projects designed to support employment, community resilience and health and wellbeing.

Through the £2 million Island Communities Fund, 29 successful community groups and businesses across 23 islands have been awarded grants of up to £150,000 each. Projects focus on developing sustainable economic activities on islands with the majority of projects having a net zero theme, while also supporting the delivery of the Scottish Government's National Islands Plan (2019).

Projects include the installation of a range of spinning mills to allow full processing of fleece into yarn on Foula, which will use electricity from Foula's off grid renewable network, as well as a project to expand a community garden on Lewis to improve mental health opportunities and reduce social isolation.

See: [Creating resilient and sustainable islands - gov.scot \(www.gov.scot\)](https://www.gov.scot/topics/islands)

Funding to tackle marine litter

A project to help remove harmful litter in our seas and raise awareness of its environmental impact is set for expansion after receiving almost £180,000 of funding from the Marine Fund Scotland.

The Fishing for Litter scheme is part of an international movement to support removal of marine litter from fishing areas and raise awareness of the damage done by marine litter with the fishing industry, local communities and school children.

The project also works to encourage improvement of waste management practices within the fishing industry. First launched in Scotland in 2005, the scheme has grown to include 20 harbours, with more than 280 fishing vessels collecting 1,844 tonnes of marine litter.

The voluntary project has set ambitious targets for the coming year of landing at least 150 tonnes of marine litter, recruiting at least another 30 member fishing vessels and adding a minimum of three participating ports.

The funding will be used to cover waste collection and disposal, staff costs and education materials.

This fund is currently closed due to high demand. If you have any queries please contact <mailto:MFS@gov.scot>. This fund will support investments and jobs in seafood sectors, the marine environment and coastal communities in Scotland. It replaces the European Maritime and Fisheries Fund (EMFF) following the UK's exit from the EU. The EMFF supported the

sustainable growth of the marine economy in coastal communities, in sectors such as fishing, aquaculture and seafood processing. The fund was launched under the Blue Economy policy approach and the developing Blue Economy Action Plan (BEAP). Projects which have submitted an Expression of Interest (EOI) and which best fit with the new approach will be invited to submit a full application and supporting documents.

See: [Funding to tackle marine litter - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/collections/documents/Funding-to-tackle-marine-litter-2021.pdf)

Supporting fair work practices

Companies bidding to win Scottish Government contracts will have to pay the real Living Wage.

This will ensure public sector contracts tackle in work poverty and promote fair work practices across the public, private and third sector where there is a risk of low pay.

The real Living Wage has been consistently higher than the UK National Living Wage.

See: [Supporting fair work practices - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/collections/documents/Supporting-fair-work-practices-2021.pdf)

£1 million to put local assets in the hands of local communities.

Pubs, restaurants, woodlands and a church are to be brought into community ownership and use through new funding.

More than £1 million of the [Scottish Land Fund](https://www.gov.scot/resources/consultation-papers/collections/documents/Scottish-Land-Fund-2021.pdf) is being awarded to eight local community groups to help them take ownership of the land and buildings that matter to them.

The funding was announced by Land Reform Minister, Mairi McAllan, on a visit to Newcastleton and District Community Trust, which purchased part of the Tarras Water and Holm Hill Estate with a grant of £850,000 from the Scottish Land Fund last year.

This is Community Land Week, which is profiling organisations that have taken ownership of land and buildings during the pandemic.

See: [Community Land Week - gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultation-papers/collections/documents/Community-Land-Week-2021.pdf)

An introduction to sustainable web design

This article from Business Gateway's DigitalBoost programme looks at how your website affects your carbon footprint, what contributes to it, and what you can do to reduce it. The article takes 6 minutes to read and is free.

See: [An intro to sustainable web design \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot/articles/an-intro-to-sustainable-web-design)

Four Nations International Fund

This pilot fund is designed to encourage in-person, digital and hybrid collaboration between artists, creative practitioners and organisations from the 4 nations across the UK and their counterparts from Europe and beyond.

This fund invites artists, cultural professionals and organisations to consider how their collaboration could be enhanced by closer working between England, Northern Ireland, Scotland and Wales.

The Four Nations International Fund is a pilot fund with co-investment from Arts Council England, Arts Council Northern Ireland, Arts Council Wales/Wales Arts International and Creative Scotland.

The budget for this initial pilot round is £100,000, which is anticipated to cover 20 to 30 awards in total across England, Northern Ireland, Scotland and Wales.

Applications opened on 21 October 2021.

See: [Four Nations International Fund \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

COMPASS - Emerging Maker Programme 2022

COMPASS is Craft Scotland's learning and development programme created specifically for makers. Each strand of the programme is designed to support makers at key stages of their business and creative practice. The COMPASS: Emerging Maker Programme is aimed at professional practicing makers in the early stages of their craft career, who have been in business between 1 and 4 years.

The COMPASS programme takes a practical approach to nurturing a creative business through the early stages of development. The programme is delivered through a combination of online workshops, an immersive 5-day residential, one-to-one sessions, specialist advice, peer learning, work critiques and mentoring. It draws on the experience and skills of established makers and creative industry experts who share their insights and advice.

Each participant will be matched with a mentor at the end of the programme. You will also be provided with resources to enhance your learning experience. Throughout the programme, participants will be supported by the Craft Scotland team, who will steer you through the process and answer any questions you might have.

The deadline for applications: Thursday 11 November 2021 at 5pm.

See: [COMPASS - Emerging Maker Programme 2022 \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

TalentScotland Business Immigration and Visa Support Service

TalentScotland is a pan-Scotland international talent attraction service managed by Scottish Enterprise. Working in partnership with a range of other public and private sector organisations, TalentScotland helps Scottish-based small and medium-sized businesses

(SMEs), inward investors and entrepreneurs navigate the UK immigration system. This can include:

- support to become an approved sponsor licence holder, so you can recruit international talent either from abroad or who are already in the UK
- identifying potential visa options for investors to come to Scotland
- transferring or employing international talent

The TalentScotland website provides access to quick summaries of the various visa categories and information on sponsor licencing and right-to-work checks. They regularly run webinars and workshops to help guide employers through the various key topics for sponsors, as well as other useful issues around international talent.

TalentScotland partners with specialist immigration experts who are available to discuss the visa options open to you and your business and provide general guidance on the visa process.

See: [TalentScotland Business Immigration and Visa Support Service \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

COVID-19 Ventilation Fund

The Scottish Government's COVID-19 Ventilation Fund will help businesses improve ventilation and air quality on their premises to help reduce the risk of coronavirus transmission.

The fund will provide both grants and advice to help companies undertake work to improve ventilation. This includes:

- small to medium-scale improvement work, including reopening of windows and vents, airbricks, air cleaners
- support for installation of environmental/CO2 monitoring to assess general ventilation and identify and focus on areas of poor ventilation

Support will target high-risk settings where people come into close proximity, such as hospitality and leisure sectors.

Full details on eligibility criteria and the application process will be published in the coming weeks.

See: [COVID-19 Ventilation Fund \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)