

Written 18 October 2021

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!

Self-Assessment: Paper submission deadline looming!

HM Revenue and Customs (HMRC) is reminding Self-Assessment tax payers to check that they have the correct information in order to complete their tax return.



This year, tax payers will also have to declare if they received any grants or payments from COVID-19 support schemes up to 5 April 2021 as these are taxable, including:

- Self-Employment Income Support Scheme (SEISS)
- Coronavirus Job Retention Scheme (CJRS)
- Other COVID-19 grants and support payments such as self-isolation payments, local authority grants and those for the Eat Out to Help Out scheme

The deadline for 2020/21 tax returns is:

- 31 October 2021 for those completed on paper forms
- 31 January 2022 for online returns

You can file your return before the January deadline but still have until 31 January 2022 to pay.

Please contact us about helping you file your 2020/21 return before the deadline or if you have any questions about grants or payments received.

Tax reporting rules for digital platforms

The UK Government is consulting on the implementation of the Organisation for Economic Co-operation and Development (OECD) Model Reporting Rules for Digital Platforms, which

require digital platforms to report details of the income of sellers on their platform to the tax authority and also to the sellers.

From January 2023, these rules will require platforms to report information about the income of sellers providing goods and services to help sellers get their tax right and to enable HMRC to detect and tackle non-compliance.

The UK Government invites comments from digital platforms that facilitate the provision of services, such as taxi and private hire services, food delivery services, freelance work and letting of accommodation, as well as those that facilitate the sale of goods and transport rental. They also welcome views from organisations or bodies that represent platforms or businesses in the sharing or gig economy.

This consultation will also be of interest to individuals and companies who provide such services using digital platforms.

The consultation closes on 22 October 2021.

See: [Reporting rules for digital platforms - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/reporting-rules-for-digital-platforms)

HMRC Webinars - National Minimum Wage - Elements of Pay

In this 1 hour webinar, HMRC look at the many different elements making up minimum wage pay. They will cover what does and doesn't count towards a worker's pay - discussing in depth things like deductions, payments and their effect on your employees entitlement. They will look at some common areas where things can go wrong, and what you as an employer can do to recognise and fix them.

See: [Registration \(gotowebinar.com\)](https://www.gotowebinar.com/webinars/hmrc-national-minimum-wage-elements-of-pay)

The Health and Safety Executive (HSE) spot checks on businesses

The Health and Safety Executive (HSE) is continuing to carry out spot checks and inspections on all types of businesses, in all areas, to ensure they are working safely to reduce the risk of COVID.

During the spot checks, HSE provides advice and guidance to manage risk and protect workers, customers and visitors. However, where some businesses are not managing this, HSE will take immediate action.

This can range from providing specific advice, issuing enforcement notices, and stopping certain work practices until they are made safe. Where businesses fail to comply, this could lead to prosecution.

See: [Working safely during the coronavirus \(COVID-19\) pandemic \(hse.gov.uk\)](https://www.hse.gov.uk/coronavirus/)

Brexit - Full customs controls will be introduced as planned on 1 January 2022

From 1 January 2022, when full customs controls are introduced, the option to delay declarations without an authorisation from HMRC will no longer apply. You will need to

choose to make full customs declarations when you import goods or to be authorised to make simplified declarations. You may want to use an intermediary to help you, but if you choose to make your own customs declarations you will need to start preparing now.

See: [Brexit: guidance for businesses - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/brexit-guidance-for-businesses)

New service launched to report UK internal market issues

The Office for the Internal Market (OIM) is a newly created function and is part of the Competition and Markets Authority (CMA).

OIM is calling on businesses to report any issues relating to trading across different areas of the UK. OIM has been tasked with supporting the effective operation of the UK internal market using its economic and technical expertise, following the UK's departure from the European Union. It will provide reports to the Northern Ireland Executive, the Scottish Government, the Welsh Government and UK Government.

To help fulfil this role, the OIM has created a new digital reporting service, through which businesses can share their experience of how the UK internal market is working.

For example, this could include issues relating to trading across all four nations, such as if producers from one part of the UK are paying more to meet the product standards in another part of the UK in order to sell there. It could also include difficulties in using certain professional qualifications awarded in one part of the UK in different parts of the UK.

The information provided will contribute to the first State of the UK Internal Market report, planned for Spring 2022, as well as providing intelligence for any discretionary reviews that the OIM decides to carry out.

Governments can also seek advice or reports on the impact that rules and requirements are having – or may have – on the internal market. In addition, the OIM will look at changes to the operation of the internal market over time.

See: [Report a UK Internal Market issue - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/report-a-uk-internal-market-issue)

Recruiting Prison Leavers: Employers Summit 2021

The Ministry of Justice will host a free interactive virtual event supporting businesses from all sectors that are interested in recruiting prison leavers.

Hear first-hand from leading businesses already benefitting from recruiting prison leavers, including Timpson, Greene King and Greggs.

The headline session will cover filling your skills gaps by recruiting from prison, followed by three workshops covering diversity and inclusion, prison logistics, and corporate social responsibility.

The event takes place on 21 October 2021.

See: [Recruiting Prison Leavers | Employers Summit 2021 \(seewhatsontheinside.com\)](https://seewhatsontheinside.com/recruiting-prison-leavers-employers-summit-2021)

Funding for development of Service Robotics facilities

Apply for a share of up to £500,000 to develop your vision for the UK's next generation Service Robotics facilities.



Innovate UK, part of UK Research and Innovation (UKRI), is funding a Small Business Research Initiative (SBRI) competition to support the development of the UK's National Robotics Proving Ground facilities.

The facilities would aim to accelerate the development and adoption of a new generation of service robotics. There are a wide variety of ways in which such facilities could be delivered across different locations in the UK.

This competition gives organisations an opportunity to develop and share their visions for how such a facility could be realised, and what its technical capabilities would need to be.

The aim of the competition is to develop:

- initial operating concepts
- system architectures
- specifications
- visualisations
- supporting systems and equipment
- challenge prize competitions
- other novel ideas

The outputs from this short competition will inform UKRI what type of facilities can be developed with capital infrastructure funding and the scale of the funding required.

To be eligible, your proposal must be for a project that delivers a short technical feasibility study working towards one or more of this competition's specific themes. All deliverables must be completed by 31 March 2022. The competition is open and closes for applications 10 November 2021.

See: [Competition overview - SBRI UK National Robotics Proving Ground: Feasibility studies - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

New Tax Checks to Renew Licences for Taxi, Private Hire and Scrap Metal Businesses

From April 2022, the rules are changing for individuals, companies or any type of partnership applying for a licence for a:

- taxi driver
- private hire driver
- private hire vehicle operator
- scrap metal site
- scrap metal collector

In order to obtain or renew a licence the trader must carry out a tax check. This cannot be done by a tax agent or adviser on behalf of the business. The tax check will ask questions about the payment of tax that is due on income from the licensed trade.

After completion of the tax check the trader will be given a 9-character tax check code which will need to be provided to the licensing authority to support the application.

Businesses affected will need to set up a Government Gateway user ID and password, if they do not already have one, in order to complete the tax check. Precise details of the tax check are yet to be published but it is likely to require that the trader is registered with HMRC.

See: [Changes for taxi, private hire or scrap metal licence applications from April 2022 - GOV.UK \(www.gov.uk\)](#)

Coronavirus Job Retention Scheme (CJRS) update

The coronavirus job retention scheme (CJRS) closed on 30 September 2021 and HMRC have updated their guidance on how to deal with under and over-claimed amounts made in error for earlier periods. Note that claims for September 2021 should have been made by 14 October 2021 unless there is a reasonable excuse for a late claim.

There was particular uncertainty about whether under claims could be set off against overclaimed amounts. The latest guidance states that the off-set can only be made where the under claim and overclaim arise within the same claim period.

The updated guidance reminds employers that if they have overclaimed a grant and have not repaid it, they must notify HMRC by the latest of:

- 90 days after the date you received the grant you were not entitled to
- 90 days after the date you received the grant that you were no longer entitled to keep because your circumstances changed

- 20 October 2020

If they do not do this, they may be liable to a penalty. HMRC have stated that they will not be actively looking for innocent errors in their compliance approach.

See: [Pay Coronavirus Job Retention Scheme grants back - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/pay-coronavirus-job-retention-scheme-grants-back)

Tell HMRC about an option to tax land and buildings

To help businesses during COVID-19 HMRC made a temporary change to the time limit for notifying an option. The change applied to decisions made between 15 February 2020 and 31 July 2021. This temporary change ended on 31 July 2021.

HMRC also allowed options to be signed electronically subject to providing supplementary evidence. This change has now been made permanent.

Check the [changes to the time limit and how you notify an option](#) to tax land and buildings.

Form VAT1614A has now been updated. You should only complete this form to notify HMRC of your decision to opt to tax land and or buildings.

See: [Tell HMRC about an option to tax land and buildings - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/tell-hmrc-about-an-option-to-tax-land-and-buildings)

Apply for the Industrial Fuel Switching competition

The competition is looking for projects that will help industry switch to lower carbon fuels. Applications for Phase 1 (Feasibility Studies) are now open.

The £55 million Industrial Fuel Switching competition will support innovation in the development of pre-commercial fuel switch and fuel switch enabling technology for the industrial sector, to help industry switch from high to lower carbon fuels. Funding will be awarded through Small Business Research Initiative (SBRI) contracts, providing 100% funding for pre-commercial solutions.

There are 2 phases to the competition:

- **Phase 1 – Feasibility:** funding for feasibility studies into fuel switch and fuel switch enabling solutions, with £50,000 to £300,000 available per project
- **Phase 2 – Demonstration:** funding for projects to demonstrate fuel switch and fuel switch enabling solutions, with £1 million to £6 million available per project

The competition will support fuel switch and fuel switch enabling technologies at Technology Readiness (TRL) Level 4 to 7 at the start of the project.

Funding is divided into 3 Lots:

- fuel switch and fuel switch enabling technologies for hydrogen.
- fuel switch and fuel switch enabling technologies for electrification

- fuel switch and fuel switch enabling technologies for biomass, wastes, and other net zero compatible fuels

See: [Apply for the Industrial Fuel Switching competition - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/industrial-fuel-switching-competition)

Additional support for a range of cultural and sporting events.

An additional £450,000 has been made available as part of Scotland's Events Recovery Fund to help the return of events across the country.

This is a top up to the £2.75 million Scotland's Events Recovery Fund, which opened for applications in November 2020, and together will support 275 events across the country.

Among the organisations receiving this support are the Stirling Science Festival (15-17 October), Halloween outdoor event Spirits of Scone (22-24/ 27-31 October), TamFest - a month of Halloween and heritage events inspired by Robert Burns's Tam O'Shanter poem, and the Highland Ultra 125km race on 21 October set around the coastal mountains of the Knoydart Peninsula.

See: [£450,000 to further boost events sector - gov.scot \(www.gov.scot\)](https://www.gov.scot/news/2020/11/20/450000-to-further-boost-events-sector/)

Investment to help industry decarbonise

The first recipients of a fund set up to help Scotland's manufacturing industries reduce emissions have been announced.

Eight companies will share £3.4 million through the first round of the Scottish Industrial Energy Transformation Fund (SIETF), with additional private funding bringing total investment across the projects to more than £10 million.

Projects awarded funding include the conversion of gas combustion furnaces to a cleaner, oxy-fuel system at a glass manufacturing plant, and a feasibility study into capturing CO₂ during the fermentation process at a whisky distillery.

They will reduce emissions by an estimated 14,000 tonnes of CO₂e a year by the time they are completed, saving the equivalent of the annual emissions from 5,200 households.

Up to £34 million of Scottish Government funding will be made available through the lifetime of the five-year SIETF, which runs until 2026. A second round of applications is now open.

See: [Investment to help industry decarbonise - gov.scot \(www.gov.scot\)](https://www.gov.scot/news/2020/11/20/investment-to-help-industry-decarbonise/)

The Illustrated Freelancers Guide

The Illustrated Freelancer's Guide is a practical resource for the increasing number of artists, makers, writers and other creatives working freelance in Scotland today.

It was created to fill an information gap for creative freelancers and help them understand their rights and best practices to help avoid and address difficult situations.

This easy-to-reference guide was written by Heather Parry and illustrated by Maria Stoian. It uses a highly visual combination of comics and text to highlight key issues, model scenarios and educate creative workers about how to protect themselves with regards to payment, copyright and creative work in general.

See: [The Illustrated Freelancer's Guide | Creative Scotland](#)

Creative Scotland Open Fund - Sustaining Creative Development

This fund is for organisations and groups based in Scotland whose work or project involves the arts or creative industries.

This fund was launched in March 2020 in a difficult context. The disruption of COVID-19 was a situation without precedent. The creative sector continues to face significant challenges, and you may be considering the impact of this emergency and its after-effects on what you do.

See: [Open Fund: Sustaining Creative Development | Creative Scotland](#)

Creative Scotland - Open Fund for Individuals

The Open Fund for Individuals is one of Creative Scotland's key funding programmes, supporting the wide range of activity initiated by artists, writers, producers and other creative practitioners in Scotland. The overall budget for this fund in the financial year 2021/22 is £5 million. You can apply for between £500 and £100,000, for activity lasting up to 24 months.

See: [Open Fund for Individuals | Creative Scotland](#)

Creative Scotland - Made in Scotland Showcase 2022

The Made in Scotland programme aims to raise the international profile of Scotland-based artists through the promotion of their work at the Edinburgh Festival Fringe, with a specific focus on showcasing the work to international promoters and programmers and developing onward opportunities.

Funding is available to help Scottish artists present their work at the Fringe as part of the Made in Scotland showcase. The fund will support new or existing artistically ambitious work with strong onward potential. All applicants should consider their international ambitions for the show being presented.

Creative Scotland is specifically looking for high-quality, artistically ambitious productions or performances which:

- promote the work of artists based in Scotland and are export-ready for the international market, and/or
- involve Scotland-based artists and companies in international co-productions or in collaboration with international festival directors and promoters

The total budget for the Made in Scotland 2022 programme will be in the region of £300,000.

See: [Made in Scotland Funding | Creative Scotland](#)

Funding Information and Support Service

Scottish Enterprise's Funding Information & Support Service (FISS) helps companies apply for competitive innovation funding from outside Scotland. FISS helps Scottish companies identify and win competitive innovation funding from non-Scottish public sector funders like Innovate UK and the European Commission. This involves initial scoping to help companies determine whether their project is a fit for funding, guidance on writing a good proposal, proposal reviews and pitch preparation.

FISS support is for Scottish companies with market-oriented innovation projects. They help firms secure competitive Research & Development funding for new products or services that will be commercialised with project costs above £50,000.

Contact FISS if you:

- are a business based in the Scottish Enterprise or South of Scotland Enterprise regions
- are committed to creation/safeguarding of quality jobs
- are committed to fair work principles
- are committed to working towards net zero
- are doing research and development (R&D) on projects with a commercial endpoint
- own, or have the rights to exploit, the intellectual property required to undertake the project
- can demonstrate how commercial prospects for the product or process will be achieved (for example, you have a letter of interest from a customer)
- are confident you will be able to match-fund at least 30% of project costs in cash
- are willing to share your final proposal and assessment results with Scottish Enterprise

See: [Contact us - Funding Information and Support Service - Find Business Support](#)

Business support for creative and cultural organisations

Creative Scotland has been working with Social Investment Scotland to find ways in which loan finance, investment readiness and social enterprise support can help the creative and cultural sector to recover from trading losses as a result of coronavirus (COVID-19).

Social Investment Scotland will offer consultancy support for up to 10 organisations to help them develop new trading models or recover existing ones. Organisations will receive up to 5 hours of targeted support and access to workshops on trading, recovery and investment options.

Participating organisations will be expected to develop a roadmap to increasing financial sustainability through trading. They will also receive an investment readiness diagnostic which includes a finance and governance review.

Creative and cultural organisations are invited to email learning@socialinvestmentscotland.com to express their interest.

See: [Business Support for Creative and Cultural Orgs \(creativescotland.com\)](https://creativescotland.com)