

Written 23 May 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!

### **Writing a Business Plan for your future success!**

A business plan is an essential tool, whether it is for raising finance or for putting your objectives into writing. In either event, a business plan will give you some form of direction and help you set goals, and most importantly, enable you to monitor your success!



Business plans should be as clear as possible, and since brevity aids clarity, they should also be as short as possible. A useful way of achieving this without losing any important points is to stratify the plan by confirming all details, where possible, to an appendix, leaving only the overall message in the body of the document. This will enable the reader to master the basic points of the proposal more quickly.

We have considerable experience in helping clients write plans, forecasting results and monitoring their success against goals. We would be delighted to help you and we also have access to a range of finance providers and can help your business succeed!

### **Don't forget to claim the Employment Allowance**

The Employment Allowance (EA) is a £5,000 allowance set against employers National Insurance Contributions (NICs) and has to be claimed each tax year if the employer qualifies. This allowance was introduced in 2014/15 and was increased to £5,000 from 2022/23. Employers make a claim for the Employment Allowance

through their payroll software. They do this by completing and submitting a Real Time Information - Employer Payment Summary (EPS) to HMRC. The employer must enter "Yes" in the "Employment Allowance Indicator" field of the EPS confirming that they are eligible to claim the allowance.

Eligible employers can claim the Employment Allowance at any time during a tax year. Employers may also claim the Employment Allowance against closed tax years, provided they have not already claimed the allowance for those years. However, claims for closed tax years are limited to the four tax years falling before the current tax year.

The Employment Allowance can be claimed by most employers who pay secondary Class 1 NICs on their employees. This includes:

- businesses (includes self- employed persons, companies and partnerships who have employees)
- charities (includes private businesses that have charitable status such as schools, academies, further education colleges and universities)
- Community Amateur Sports Clubs

If two or more companies are connected with one another, or two or more charities are connected with one another, then only one of those companies/charities may claim the Employment Allowance and they must decide which company/charity claims the allowance.

For recently updated guidance on connected businesses see: -

<https://www.gov.uk/hmrc-internal-manuals/national-insurance-manual/nim06560>

### Other Employers Excluded from claiming the Employment Allowance

Employers are not eligible to claim the Employment Allowance where their employers' Class 1 National Insurance liabilities in the previous tax year exceeded £100,000.

Another important exclusion from EA are single director companies where the director is the sole employee of the company.

Employment Allowance counts towards the total de minimis State Aid you're allowed to get over a 3 year period. Employers that exceed the de minimis State Aid threshold for their sector (Agriculture products for example 20,000 euros) are also excluded from claiming EA.

Please contact us if you need help with your payroll.

### **Check if a letter you have received from HMRC is genuine**

Check a list of recent letters from HMRC to help you decide if a letter you've received is a scam.

Contents:

- [Letter OCA300 — repayment of Student Loan deductions](#)
- [Overpaid Self-Employment Income Support Scheme \(SEISS\) grants](#)
- [Research about employee experience of the Coronavirus Job Retention Scheme](#)
- [Research about the digitisation of Child Benefit](#)
- [Refund of Income Tax from changes to your Self-Employment Income Support Scheme \(SEISS\) grant](#)
- [Other letters you should check](#)

If your letter is not listed here [check other letters sent by HMRC](#)

[Report suspicious phone calls, emails or texts to HMRC](#)

### **The Recovery Loan Scheme is ending soon**

The Recovery Loan Scheme supports access to finance for UK businesses as they grow and recover from the disruption of the COVID-19 pandemic. The Scheme is to help businesses of any size access loans and other kinds of finance so they can recover after the pandemic and transition period. The Recovery Loan Scheme will accept applications until 30 June 2022. Up to £10 million is available per business. The actual amount offered, and the terms, are at the discretion of participating lenders.



The government guarantees 80% of the finance to the lender. As the borrower, you are always 100% liable for the debt. Loans are available through a network of accredited lenders, listed on the British Business Bank's website.

See: [Recovery Loan Scheme: current accredited lenders - British Business Bank \(british-business-bank.co.uk\)](#)

### **Smaller firms struggle to get finance**

A recent study by the Federation for small businesses (FSB) shows lending to small businesses has hit an all-time low. New findings from the quarterly Small Business

Index (SBI) show successful finance applications plummeting to lowest level on record.

The FSB warns that banks “pulling up the drawbridge” to small firms will further stifle economic growth. Fewer than one in ten (9%) small firms applied for finance in Q1 2022, the lowest proportion since SBI records began. The share that saw applications approved (43%) is also at a record low. Of the few firms that did manage to secure finance, four in ten (42%) plan to use credit to manage cashflow, considerably more than the numbers planning to use funds for equipment updates (21%), expansion (19%) or recruitment (4%).

Please talk to us if you need finance – we can help!

See: [Lending to small businesses hits all-time low, new study finds, with six in ten impacted by late payment | FSB, The Federation of Small Businesses](#)

### **Workplace Charging Scheme: guidance for charities and small accommodation businesses**

The UK Government is now offering help to businesses with the upfront costs to install charge points.

The Workplace Charging Scheme (WCS) is a voucher-based scheme that provides eligible applicants with support towards the upfront costs of the purchase and installation of electric vehicle (EV) chargepoints.

The scheme is available for B&Bs, campsites, small hotels, charities and any other accommodation business with less than 250 employees.

See: [Workplace Charging Scheme: guidance for charities and small accommodation businesses - GOV.UK \(www.gov.uk\)](#)

### **New internet phishing alert**

New emails and letters appearing to be from employees of the Government Legal Department/Bona Vacantia Division are in circulation. Emails are being sent from bogus email addresses purporting to be from members of the Bona Vacantia Division. These emails are not from the @governmentlegal.gov.uk address and may ask for confirmation of personal information or provide false links or download attachments.

Do not give out private information (such as bank details or passwords), download attachments or click on any links in emails if you are not sure they are genuine.

See: [New internet phishing alert - GOV.UK \(www.gov.uk\)](#)

## **The Inaugural UK-EU Parliamentary Partnership Assembly**

Earlier this month the Minister for the Cabinet Office, Michael Ellis, addressed the UK and EU Parliamentarians at the inaugural meeting of the UK-EU Parliamentary Partnership Assembly.

He commented that “This forum is an important part of the governance that supports the new UK-EU relationship, but it is also a link between democratic representatives and the people that we serve. I hope that the following couple of days will provide an opportunity for Parliamentarians across the English Channel to exchange ideas on how we can get the most out of our new relationship - to the benefit of course of our respective citizens and businesses.”

He also stated that the war in Ukraine has drawn the UK and EU together. That is welcome after the inevitable strains which the change in constitutional relationship brought since 2016. The EU is an essential partner in a global alliance of shared values - and we want success for the Union, and we hope the EU wants that for the UK too.

See: [Address to the Inaugural UK-EU Parliamentary Partnership Assembly - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/speeches/address-to-the-inaugural-uk-eu-parliamentary-partnership-assembly)

## **New Bill to set up UK Infrastructure Bank announced in Queen’s speech**

The UK Infrastructure Bank was launched in interim form at its headquarters in Leeds in June last year. It was tasked with accelerating investment into ambitious infrastructure projects, cutting emissions and levelling up across the UK.

This Bill will complete the Bank’s set up as an operationally independent institution and give it the power to lend directly to local authorities and the Northern Ireland Executive. It will also support the Bank’s operational independence by setting out clear accountability for how it is to be run.

Since its launch, the Bank has completed five deals, including financing the UK’s largest solar farm in south Wales, investing £100 million to provide high-capacity broadband to around 500,000 properties in hard-to-reach UK premises and a further £50 million to improve digital connectivity for rural homes and businesses across Northern Ireland.

See: [New Bill to set up UK Infrastructure Bank announced in Queen’s speech - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/speeches/new-bill-to-set-up-uk-infrastructure-bank-announced-in-queen-s-speech)

## **Rollout of hundreds more zero-emission HGVs**

The world’s largest fleet of zero emission HGVs will take to UK roads through plans to achieve cleaner air and greener jobs, while helping to keep costs down on consumer goods. £200 million of government funding will be injected into an

extensive zero emission road freight demonstrator programme, at Logistics UK's Future Logistics Conference earlier this month.

The 3-year comparative programme will begin later this year to help decarbonise the UK's freight industry with initial competitions for battery, electric and hydrogen fuel cell technology launching shortly.

This could see hundreds more zero-emission HGVs rolled out across the nation and save the industry money, thanks to overall running costs of green vehicles being cheaper than petrol and diesel equivalents. More efficient deliveries will in turn enable haulage companies to keep the price of goods down and protect customers from rising costs.

The transition to zero-emission trucks will also help improve air quality, create greener jobs and deliver on COP26 pledges while reducing reliance on imports of foreign oil. Eliminating fossil fuels from road freight and improving the UK's energy supply resilience will help to protect drivers and businesses from increasing global energy prices.

See: [£200 million boost to rollout of hundreds more zero-emission HGVs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/200-million-boost-to-rollout-of-hundreds-more-zero-emission-hgv-s)

### **Innovation Loans Future Economy competition - round 3**

UK registered businesses can apply for loans for innovative projects with strong commercial potential to significantly improve the UK economy.

Innovate UK is offering up to £25 million in loans to micro, small and medium - sized enterprises (SMEs). Loans are for highly innovative late stage research and development (R&D) projects with the best potential for the future. There should be a clear route to commercialisation and economic impact.

Your project must lead to new products, processes or services that are significantly ahead of others currently available or propose an innovative use of existing products, processes or services. It can also involve a new or innovative business model.

See: [Competition overview - Innovation Loans Future Economy Competition – Round 3 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://apply-for-innovation-funding.service.gov.uk/competition-overview)

### **£30 million dry dock contract supports 300 Scottish jobs**

The contract for dry-dock maintenance for the Queen Elizabeth Class (QEC) aircraft carriers has been awarded to Babcock International Group, in Scotland.

The 10-year agreement will ensure the two warships - HMS Queen Elizabeth and HMS Prince of Wales - are able to undergo dry dockings for planned maintenance and repair at Babcock's Rosyth facilities, meaning the vessels continue to operate safely and remain available for defence operations, both for the UK and its allies.

The work will help to sustain 300 jobs across the Rosyth facility and the wider supply chain.

See: [£30 million dry dock contract supports 300 Scottish jobs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/30-million-dry-dock-contract-supports-300-scottish-jobs)

### **Electric Vehicle Charge Point Tourism Recovery Fund**

The Electric Vehicle Charge Point Fund provides a one-off payment to tourism businesses in Scotland to help cover the cost to install an electric vehicle charge point.

Businesses can apply for funding to assist in the installation of an electric vehicle charge point on their premises. The funding will cover 75% of the total cost of the charge point and installation (including applicable VAT), up to a maximum of £15,000.

There is limited funding available, and it will be allocated on a first come, first served basis. There is enough funding to cover around 100 charge points.

The fund is administered by Energy Saving Trust (EST) on behalf of VisitScotland and the Scottish Government. The fund is part of the Destination Net Zero programme - a key strand in the Scottish Government's COVID-19 Tourism Recovery Programme. It aims to support businesses and destinations as they transition to a future of net zero emissions.

See: [Destination Net Zero Electric Vehicle Charge Point Tourism Recovery Fund - Energy Saving Trust](https://www.gov.uk/government/news/destination-net-zero-electric-vehicle-charge-point-tourism-recovery-fund-energy-saving-trust)

### **Support for fishing and coastal communities**

A new round of funding to support fishing businesses and wider marine organisations in coastal communities is open for applications. Now in its second year, the Marine Fund Scotland has an overall budget of up to £14 million. It was introduced by the Scottish Government to replace the European Maritime and Fisheries Fund, which UK businesses no longer have access to following Brexit.

Marine Fund Scotland will support projects which contribute to innovative and sustainable marine sectors, reduce carbon emissions and support coastal communities. It will reflect Scotland's Blue Economy Vision, which was published earlier this year.

Helping to improve safety standards will also be a key aim, including individual fishers upskilling their safety training.

See: [Support for fishing and coastal communities - gov.scot \(www.gov.scot\)](https://www.gov.scot/government/news/support-for-fishing-and-coastal-communities)



## **Carbon Neutral Islands named**

The Carbon Neutral Islands project is a programme for government commitment aimed at supporting islands to become carbon neutral by 2040.

The islands included as part of the project are - Hoy, Islay, Great Cumbrae, Raasay, Barra and Yell. They have been identified by the Scottish Government in collaboration with local authorities and island representatives.

A report on the project will be published over the summer and plans will be developed for individual islands in collaboration with key partners and the communities involved.

The project will also align with the Scotland wide net zero work and contribute to the Scottish Government's 2045 net zero commitment.

Whilst working closely with communities to move towards net zero in a fair and just way, the Carbon Neutral Islands project aims to share good practices and learnings from the project with all other Scottish islands.

See: [Carbon Neutral islands names – gov.scot \(www.gov.scot\)](https://www.gov.scot/resources/consultations-petitions/Publications/2023/01/Carbon-Neutral-Islands-names.aspx)