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BUSINESS NEWS WALES

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!

Beware of “Rogue” R&D consultants

In recent years, HMRC has identified and successfully challenged several false claims for Research and Development (R&D) tax credit relief made by purported R&D Consultants. Many of these claims have been for projects that did not satisfy the criteria for the tax relief and some included overstated expenditure and consequently have been abusing the scheme.



This is a generous tax break. As a Small or Medium-sized Entity (SME), the expenditure qualifies for a tax deduction of 230% of the amount spent which can then be traded in for a tax refund of 14.5% where the company is loss-making. Thus, £100,000 of qualifying R&D expenditure would potentially result in a tax refund to a loss-making company of £33,350 and many of these R&D consultants charge a fee based on the amount of the claim.

The work that qualifies for R&D relief must be part of a specific project to make an advance in science or technology. It cannot be an advance within a social science - like economics - or a theoretical field - such as pure maths.

The project must relate to your company's trade - either an existing one or one that you intend to start up based on the results of the R&D.

To get R&D relief you need to explain how a project:

- looked for an advance in science and technology.
- had to overcome uncertainty.
- tried to overcome this uncertainty.
- could not be easily worked out by a professional in the field.

For more details, see: [Claiming Research and Development tax reliefs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/claiming-research-and-development-tax-reliefs)

The number of spurious claims has resulted in HMRC notifying some accounting firms that they are temporarily suspending repayments and requesting additional information to support the R&D claims. HMRC have even started writing to companies alleging that their R&D claim may be fraudulent.

Please contact us if you would like to discuss whether any of the projects carried out by your company potentially qualify for R&D tax relief. Also, let us know if you are contacted by an organisation claiming to be R&D consultants and we can check whether they are legitimate.

Fraud and scam protection for companies

Companies House incorporate and dissolve limited companies. They register company information and make it available to the public. They have recently updated their guidance on how to protect your company from fraud and scams and how to report it:

- [Register for online filing](#)
- [Keep your authentication code safe](#)
- [Sign up to our PROOF scheme](#)
- [Use our free Follow service](#)
- [Choose the right correspondence address](#)
- [Check website addresses are genuine](#)
- [Be aware of scam emails and telephone calls](#)
- [Report fraud](#)
- [Unregistered cryptoasset businesses](#)

See: [Companies House - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/protect-your-company-from-fraud-and-scams)

Help to Grow: Management scheme – programme changes

The Help to Grow: Management scheme now offers business leaders 50 hours of leadership and management training across 12 weeks, and covers 90% of the costs involved.

This means that from £750, business leaders can benefit from one-to-one support from a business mentor, access to a network of like-minded business leaders, and a bespoke growth plan to help the business reach its full potential.

The scheme offers development opportunities for leaders and their staff, boosting productivity and growing their companies which can lead to more high-skill, high-wage jobs.

Businesses with 10 or more employees are now eligible to have up to 2 participants join the scheme. Additionally, previous participants in the Small Business Leadership Programme will now be eligible to join the management programme.

It has recently been announced that top names including Santander, Vodafone and award-winning mentor Herman Stewart have signed up as volunteer mentors to support the Help to Grow: Management course.

See: [More business leaders to benefit from Help to Grow: Management scheme - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/more-business-leaders-to-benefit-from-help-to-grow-management-scheme)

Do you know anyone starting a business?

Then ask us about our comprehensive guide to the financial, tax and accounting considerations of starting a business, “The New Business Kit” which we offer free to start-ups or those who have recently made the jump into business ownership.



The guide helps start-ups think about:

- Selecting a legal entity;
- Registering with the tax authorities;
- Accounting and bookkeeping;
- Value Added Tax;
- Payroll taxes and pensions;
- Income and corporation tax;
- Cash planning and forecasting;
- Insurance;
- Selecting professional advisers; and
- Digital accounting systems.

In addition, there is a section of useful names, addresses and telephone numbers.
just ask – it's free!

Driving and riding safely for work – guidance from HSE

For most people, driving or riding will be the most dangerous work activity they do. Around one-third of all road traffic collisions (RTCs) in Britain involve someone driving or riding as part of their job and countless other RTCs involve people travelling to or from their workplace.

Although the risks cannot be completely controlled, employers or companies (including those in the construction sector) who engage drivers and riders must take all reasonable steps to manage these risks and do everything practicable to protect people from harm.

The Health and Safety Executive's (HSE) webpages were created following HSE and Department of Transport consultation with stakeholders.

They contain clear, simple advice for employers and those who engage drivers and riders on how to make sure the journey, driver and vehicle are safe. It also outlines guidance for those who drive and ride for work on their responsibilities.

See: [Driving and riding safely for work - HSE](#)

Commercialising Connected and Automated Mobility: Deployments

The 'Commercialising Connected and Automated Mobility' competition, which is run by the Centre for Connected and Autonomous Vehicles (CCAV), will provide grants

to help roll out commercial use of self-driving vehicles across the UK from 2025, delivering convenience for consumers and making journeys safer, greener and more reliable.

UK-registered organisations can apply for a share of up to £40 million of CCAV competition funding, supporting new automated transport service projects.

The competition will help bring together companies and investors so that sustainable business models to be rolled out nationally and exported globally.

Types of self-driving vehicles that could be deployed include:

- delivery vans
- passenger buses
- shuttles and pods
- vehicles that move people and luggage at airports and containers at shipping ports.

The competition closes at 11am on 20 July 2022.

See: [Competition overview - Commercialising Connected and Automated Mobility: Deployments - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

Protecting pregnant workers and new mothers

The Health and Safety Executive (HSE) advice has recently changed, and employers must now carry out an individual risk assessment for pregnant workers and new mothers.

There will be little practical change as you must already consider risks to women of childbearing age in any general health and safety risk assessment.

The difference is that you must also carry out an individual risk assessment that covers a worker's specific needs when they inform you in writing that they:

- are pregnant;
- have given birth in the last 6 months; or
- are breastfeeding.

See: [Protecting pregnant workers and new mothers - Overview - HSE](#)

Wales extends COVID-19 testing throughout July

The Health Minister, Eluned Morgan confirmed last week that access to free rapid lateral flow tests will be extended in Wales until July 31st 2022.

Tests will be available to the public that are showing symptoms of coronavirus (high temperature a new, continuous cough, a loss or change to your sense of smell or taste), alongside free access for people visiting someone eligible for new COVID-19 treatments.

The announcement comes following a rise in cases, with The Office for National Statistics' recent survey reporting an increase in cases across the UK. An estimated 1 in 45 people in Wales currently have COVID-19.

The emergence of the BA.4 and BA.5 sub-variants are also contributing to this increase as they become more dominant across the UK.

The Health Minister has also announced the following testing will continue to be in place:

- LFD and PCR testing for those eligible for COVID-19 treatments.
- PCR testing for COVID-19 and other respiratory viruses for symptomatic care home residents and prisoners.
- PCR and LFD testing under the patient testing framework and when clinically advised including pre-operative hospital patients and care home residents returning from inpatient hospital stays.
- LFD testing for symptomatic health and social care staff.
- Twice weekly LFD tests for asymptomatic testing for health and social care staff.

Those visiting people in care homes should continue to test using tests provided by the care home they are visiting.

Self-isolation payments of £500 ended on 30th June 2022, whilst the COVID-19 Statutory Sick Pay Enhancement scheme will be extended until 31st August 2022 to support social care staff to stay away from work due to testing positive.

See: [Wales extends COVID-19 testing throughout July | Business Wales \(gov.wales\)](#)