

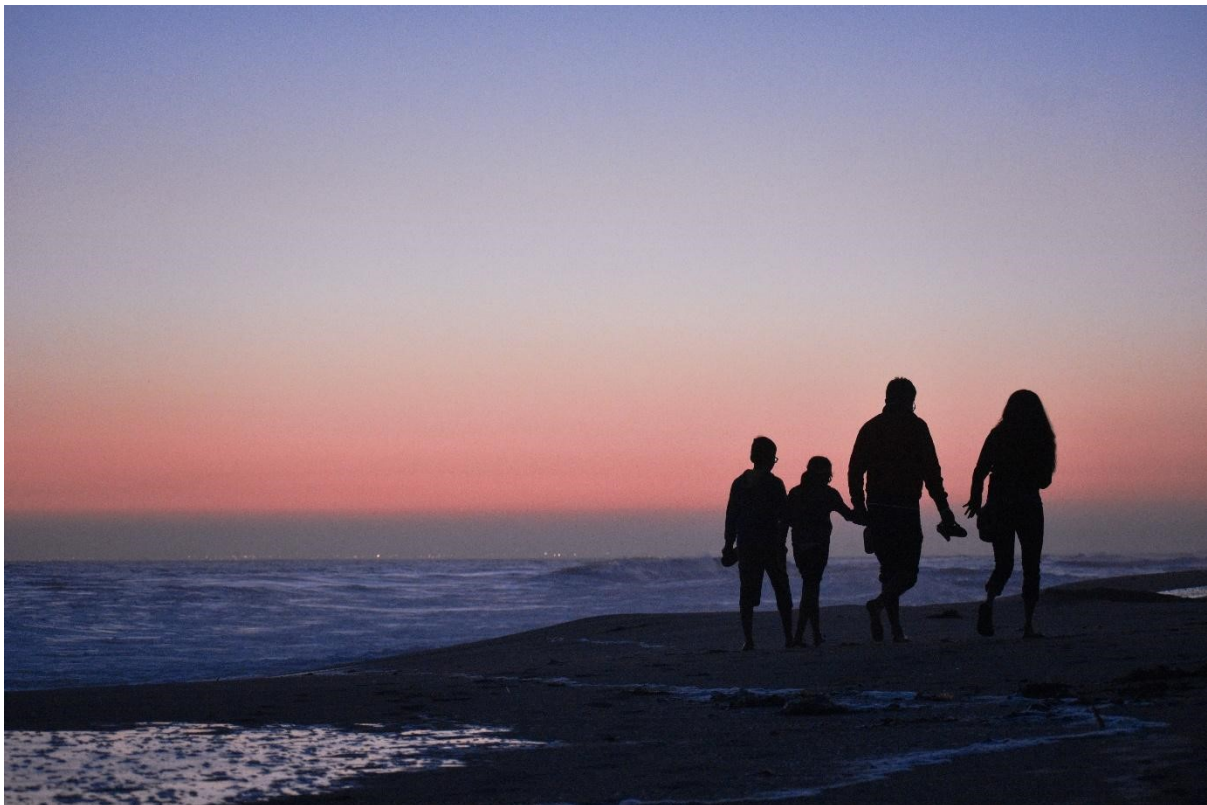
Written 5 September 2022

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!

Keep calm and focus on what's really important

With the constant news surrounding the energy crisis (and waiting for a new Prime Minister to see what the government will do about it), soaring interest rates and rising inflation, it's difficult not to worry and lose sight of what's really important – the health and welfare of you and your loved ones.



The crisis we all face is a potent mix of inflation, recession, high debts, and the core reason for it all, a wartime energy shock. It is worth remembering that this is the point. It is not the market driving the crisis, it is geopolitics, diplomacy and conflict. On an individual level, this situation is not within our control. So what can we do to keep rational whilst this crisis unfolds?

It is worth recalling a quote from the singer Celine Dion: “Life imposes things on you that you can't control, but you still have the choice of how you're going to live through this”.

Firstly, know that you can only control your life and those close to you. Everything else going on is typically uncontrollable. So take time to set some long-term goals to give you a sense of control. Next, list the things that make you happy and safe. By doing this, you can focus on the good things and not the other stuff. Thirdly, take time out of your busy schedule to do things you enjoy. Doing something you are good at reinforces a sense of self-worth and purpose.

If you own a business, then:

- 1 Take time to review your personal objectives – the business is there to provide you with what you want from life, not the other way around!
- 2 Look at where the business is now – its strengths, weaknesses, opportunities and threats, and understand its position in the marketplace, the competition, the systems, the way things are done and the improvements that could be made.
- 3 Focus on what the business will look like when it is “complete” or running profitably and successfully. Then you can determine priorities – the big issues that need to be focussed on.

It is also a good idea to look at where you are now and plan for a range of scenarios (good and bad) so that you can be flexible about the direction you should take.

Ask us about our One Page Analyst, a “what if” scenario planner which takes your projected 2022 figures and allows you to work out the effect on profit of reducing expenses, increasing sales, and increasing or decreasing prices.

If you need help during the next few months, please call us – we are here to support you!

Companies House to introduce a new WebFiling account

Companies House will soon be introducing a new WebFiling account that will have more functionality with improved security features. It is the first step in creating a single sign-in across all Companies House services.

The benefits of the new WebFiling account include:

- Multi-factor authentication.
- The ability to link your company to your WebFiling account to give you more control over your filings.
- The ability to digitally authorise people to file on your behalf on WebFiling, and to remove authorisation.
- The ability to easily see who is digitally authorised to file for your company.
- An option to sign up for emails to help you with the running of your company.

Once you’ve linked your company to your account, you will no longer need to enter an authentication code every time you file online.

If you own or file on behalf of more than one company, you will be able to manage all your companies from one account.

Once the new account is introduced, you will also be able to digitally authorise yourself and other directors to file for your new company as part of the online incorporation process.

See: [Companies House will soon be introducing a new WebFiling account - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/companies-house-will-soon-be-introducing-a-new-webfiling-account)

Businesses advised to plan around the expected Royal Mail strike

If you use Royal Mail to deliver your goods, you should be aware of the planned industrial action that is due to take place on:

- Thursday 8 September
- Friday 9 September

Royal Mail's services will be affected by delays to mail posted the day before, during, or in the days after any strike action.

Royal Mail has contingency plans, but they cannot fully replace the daily efforts of its frontline workforce. They say that they will be doing what they can to keep services running, but customers should expect significant disruption.

On days when strike action is taking place, they say they will:

- Deliver as many Special Delivery and Tracked24 parcels as possible.
- Prioritise the delivery of COVID test kits and medical prescriptions, wherever possible.
- Not be delivering letters (with the exception of Special Delivery).

To avoid disruption to your business, it is advised to:

- Post your items as early as possible in advance of the strike dates.
- Continue to post your items at postboxes or post offices, however, collections will be less frequent on days when strike action is taking place.

See: [Royal Mail strike updates | Royal Mail Group Ltd](#)

Plastic packaging tax update

Businesses of any size and type must register for Plastic Packaging Tax if they expect to manufacture or import 10 or more tonnes of plastic packaging in the next 30 days, or if they have manufactured or imported 10 or more tonnes of plastic packaging since 1 April 2022.

HMRC have developed some useful resources to help businesses understand their requirements for Plastic Packaging Tax.

The latest guidance from HMRC on Plastic Packaging Tax includes:

- Help for manufacturers and importers to [decide if they need to register for Plastic Packaging Tax](#).
- Details on what to include when [completing a Plastic Packaging Tax return](#).
- [Examples of packaging in and out of scope of PPT](#).

You can [watch recordings of past HMRC Plastic Packaging Tax webinars](#). Timestamps will help you navigate to your area of interest within each of the webinar recordings.

For a reminder of the steps to take and all return and payment dates for Plastic Packaging Tax in 2022-23, you can read the HMRC Plastic Packaging Tax flyer: [Get ready to submit your Plastic Packaging Tax return](#)

See: [Check when you must register for Plastic Packaging Tax - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/check-when-you-must-register-for-plastic-packaging-tax)

HMRC issues warning to contractors about the use of umbrella companies

“Umbrella” companies are often set up by employment agencies to supply workers to end user clients. Many of these are compliant with the tax rules, but some use contrived arrangements that claim to allow agency workers and contractors to pay less tax on their earnings. HMRC have successfully challenged many of these arrangements.

HMRC view these arrangements as tax avoidance schemes that use disguised remuneration arrangements to pay the workers. The umbrella company might claim that a payment is non-taxable to try to avoid paying National Insurance contributions (NICs) - currently 15.05% for employers. The arrangements also purport to avoid employee NICs – currently 13.25% between £12,570 and £50,270 a year.

Using these non-compliant umbrella companies could leave the workers at risk of being involved in a tax avoidance scheme and owing HMRC the tax and NICs that should have been deducted.

Under PAYE regulations, employers have an obligation to deduct tax and NICs from employment income on workers’ behalf. However, where this does not happen, HMRC may recover the tax directly from the worker.

For updated HMRC guidance see: [Warning for agency workers and contractors employed by umbrella companies \(Spotlight 60\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/warning-for-agency-workers-and-contractors-employed-by-umbrella-companies-spotlight-60)

New trading scheme to cut tariffs on everyday products

The Developing Countries Trading Scheme (DCTS) has been introduced to help UK businesses access products from around the globe at lower prices, with the aim of reducing costs for UK consumers.

The UK Government launched the DCTS in addition to the products that developing countries can already export to the UK duty-free, and could now mean that 99% of goods imported from Africa under the scheme will enter the UK duty-free.

The scheme means that a wide variety of products - from clothes and shoes to foods that aren’t widely produced in the UK, like olive oil and tomatoes – will benefit from lower or zero tariffs.

The UK Government says that the DCTS will ensure that British businesses can benefit from more than £750 million per year of reduced import costs, leading to more choice and lower costs for UK consumers.

See: [New trading scheme cuts tariffs on hundreds of everyday products - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/new-trading-scheme-cuts-tariffs-on-hundreds-of-everyday-products)

Sustainable Fashion Week 2022

Sustainable Fashion Week (SFW) is a week of community activity, gathering people together to inspire, upskill and empower the community to make sustainable fashion choices.

The Charity Retail Association (CRA) is sponsoring Sustainable Fashion Week, held from the 16th to the 25th of September 2022, with community events happening from the 19th to the 25th. You can host your event at any time during this period.

The four themes of the week's activities are:

- Re-wear
- Repurpose
- Regenerate
- Reconnect

Each theme has calls to action that support a turn towards sustainability and away from "fast fashion".

UK charity shops divert 339,000 tonnes of textiles from landfills or incineration and encourage reuse at the heart of communities on our high streets. A rise in sustainable fashion influencers, ethical consumers and savvy charity shop chains has raised the profile of the sector and helped it to be stronger than ever – despite Covid and lockdowns. This makes for the perfect pairing for raising fashion sustainability awareness further, encouraging the public to think about who makes their clothes and how they are made, and how they can be mended or repurposed instead of discarded.

SFW involves a packed programme of skills workshops and creative events. SFW want CRA members to be part of this community movement by hosting their own event. Small or large, SFW invites you to collaborate with them and empower the community around you.

See: [Sustainable Fashion Week](#)

Last chance to enter the Queen's Awards for Enterprise 2023

The Queen's Awards for Enterprise are for outstanding achievement by UK businesses in the categories of:

- Innovation
- International trade
- Sustainable development
- Promoting opportunity through social mobility

Winners have reported benefiting from worldwide recognition, increased commercial value, greater press coverage and a boost to staff morale. The closing date for applications is 6 September 2022.

See: [The Queen's Awards for Enterprise: About the awards - GOV.UK \(www.gov.uk\)](#)

Museums and galleries are urged to sign up for a VAT refund to support free entry to the public

Museums and galleries are being urged to apply for VAT refunds to support opening free of charge as part of plans to boost visitor numbers and give more people access to arts and culture.

Any museum and gallery open to the public free of charge for 30 hours a week can apply. It will help organisations boost their finances and open up their collections more regularly.

The VAT Refund Scheme, which has been running since 2001, was last open to new applicants in 2018/19 and is estimated to have refunded up to £1 billion to museums and galleries so far.

See: [Museums and galleries urged to sign up for VAT refund to support free entry for the public - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/museums-and-galleries-urged-to-sign-up-for-vat-refund-to-support-free-entry-for-the-public)

Outer Hebrides Young Enterprise Support Scheme - OHYESS

Comhairle nan Eilean Siar provides assistance and funding to new and growing businesses in the Outer Hebrides. The Outer Hebrides Young Enterprise Support Scheme (OHYESS) provides grant funding to businesses that have been trading for less than 5 years.

Funding is available for capital item purchases only. Grants of £3,000 for full-time businesses and £1,500 for part-time businesses are available, to cover up to 50% of eligible costs.

The purpose of this scheme is to ensure that good, commercially viable businesses do not fail due to a lack of access to finance. OHYESS is funded by Highlands and Islands Enterprise and delivered by the Comhairle's Business Gateway team.

OHYESS funding is potentially available to new businesses and those that have been trading for less than five years in the Outer Hebrides region. Businesses must be in one of these key sectors:

- Renewables and energy-related activity
- Recycling
- Tourism (excluding accommodation projects)
- Creative and culture-based activity
- Food and drink
- Information technology
- Life and health sciences
- Research and development
- Innovation
- Manufacturing and processing
- Traditional industries indigenous to the Outer Hebrides

Please note that tourism accommodation developments are not eligible for support.

Applicants may be sole traders, partnerships, limited companies, co-operative groups, social enterprises or other legitimate business trading entities.

Applicants must be able to fund the project until the grant can be claimed. Grant payments will be made only after you submit proof of payment. No money should be spent until your application has been approved and you've received an official letter of offer.

Each application will be considered on its own merits. However, projects in areas which are adequately served by similar existing businesses are unlikely to meet the eligibility criteria.

The full list of conditions can be found on the Comhairle nan Eilean Siar website.

See: [Outer Hebrides Young Enterprise Support Scheme \(OHYESS\) \(cne-siar.gov.uk\)](https://cne-siar.gov.uk/Outer-Hebrides-Young-Enterprise-Support-Scheme-OHYESS)

Business Innovation and Growth Grant

The Business Innovation and Growth Grant is for Scottish small and medium-sized enterprises (SMEs) with more than 10 employees that wish to pursue business growth. Businesses must be based in an area of Scotland served by Scottish Enterprise or South of Scotland Enterprise. This includes Aberdeen City and Shire, East of Scotland, Tayside, Scottish Borders, Dumfries and Galloway and West of Scotland.

Support is available for activities in the following areas:

- New product and service development
- Productivity improvements
- Development of leadership skills and fair work practices
- Entering new and expanding international markets

Examples of eligible activities for new product and service development projects include:

- Development of new products, services or business models to reduce environmental impact.
- Building skills in innovative processes, automation and emerging information and communication technologies.
- Commercialising intellectual property (IP), including investor readiness, valuation, protection strategy development, collaboration and research and development agreements, IP training and upskilling.

Projects in this category must also be in one of the following areas:

- Product design
- Market testing
- Prototyping
- Marketing to launch

Examples of eligible activities for productivity improvement projects include:

- Adaptation of low-carbon technologies and processes.
- Introduction of low-carbon technologies, energy systems or product redesign.

- Implementation of sustainability improvements or practices, net zero targets and strategy and a culture of sustainability.
- Support for life cycle analysis, circular economy activities and sustainable supply chain development.
- Support for company strategy development, such as business models, supply chain and diversification.

Examples of eligible activities for leadership and fair work projects include:

- Implementation of progressive fair work practices and inclusive organisational structures.
- Management skills and leadership capability building.
- Increase of skills capabilities, including training costs to support the upskilling, re-skilling, and cross-skilling of staff to deliver the short-term and long-term aims of the project.
- Building the skills, capacity, and capability of co-op and employee-owned businesses.
- Workplace planning, skills development and changing organisational culture.

Examples of eligible activities for entering new and expanding international markets projects include:

- Help to develop new markets, build internationalisation capability and identify and exploit new market opportunities.
- Support for the development of high-value international opportunities through opportunity identification, deep analysis, introductions and deal brokerage.
- Support for companies to enter or diversify into new markets, including marketing plans and design development costs.

This is not an exhaustive list. A Scottish Enterprise adviser will review your project description and help assess your eligibility.

Funding will be available until May 2023. All final claims must be submitted to Scottish Enterprise by 31 May 2023.

See: [Business Innovation and Growth Grant \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

West Lothian Council Business Accelerator Programme

The Business Accelerator Programme is aimed at businesses in West Lothian that are looking to accelerate their growth and recovery from the COVID-19 pandemic. The programme involves a combination of one-to-one support and attendance at a series of group workshops, delivered by industry expert consultants.

The workshops will cover key growth areas in:

- Strategy
- Innovation

- Finance
- Productivity
- Sustainability
- Skills and training

Businesses will get help to develop a tailored action plan that can be used as a tool to map out business growth objectives. Businesses will also be supported by their Business Gateway adviser during the programme and will have access to potential funding and further tailored one-to-one support based on their action plan.

See: [Contact Us & Get Help - Invest in West Lothian](#)

Glasgow City Council Business Accelerator Programme

Glasgow City Council offers a range of free training programmes that are delivered through different training providers. The programmes provide a variety of specialist support and expertise that combine traditional teaching methods with guidance and mentorship.

The programmes include group training (online and in-person) and also one-to-one sessions with the training specialists. The accelerator programmes will be delivered over a maximum 6-month period. Each programme will accommodate between 10 and 15 participants.

There are 5 accelerator programmes:

- Creative industries accelerator
- Social enterprise sector accelerator
- Established or family business accelerator
- Women-led accelerator
- High growth and innovation accelerator

See: [Business Glasgow - View Business Support \(business-glasgow.co.uk\)](#)