

Written 12 September 2022

## **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!

All members of our team are united in sadness following the death of Her Majesty The Queen. She provided the stability and continuity for the whole United Kingdom and the Commonwealth through seventy years of both wonderful and turbulent times. We are deeply grateful for her service, and our thoughts are with all those affected.



Rest in peace, Your Majesty.

### **How does a new Prime Minister affect you?**

The reality for many small businesses and households has taken a turn for the worse recently as prices continue to surge, particularly energy. So, what's on offer from the new Prime Minister?

The first announcement of the new Prime Minister, Liz Truss, was a plan to freeze energy prices for two years at £2500 for the average home and with the £400 rebate previously announced, takes this to £2100. There will be equivalent help for Northern

Ireland. The amount saved by each family will depend on how much energy they use, and households have been urged to reduce their overall usage if they can because of the serious Europe-wide shortage of the natural gas which powers much of the heating and electricity network.

Liz Truss also said that a fund will be created to support those who are not covered by the cap. More details are expected in the next two weeks.

Unlike domestic customers, energy bills for businesses are not capped and the rising cost is proving critical for many companies, especially smaller firms. Liz Truss announced that businesses will get an "equivalent support" for a six-month period, but it is not clear what that means as the UK government have not yet published the unit cost per unit of gas and electricity that they are using to generate the domestic cap so cannot yet confirm whether the same unit cost will be applied to business customers. After the six-month period, further support will be targeted at "vulnerable industries". We will update you when further information is available.

The new Prime Minister also has a recession to deal with and the Bank of England has warned that little can be done to stop the UK falling into a recession as the war in Ukraine continues. Its governor, Andrew Bailey, said it would "overwhelmingly be caused by the actions of Russia and the impact on energy prices". The Bank expects the economy to shrink in the last three months of 2022 and keep shrinking until the end of 2023.

To address the recession one of her strategies could be a change in taxation policy designed to increase economic growth by putting more money in our pockets and allowing businesses headroom to invest. We will keep you informed over the coming weeks if taxation policy changes.

As with any downturn in the economy, some types of business are more likely to run into cash flow problems, while other types appear to be more resilient. If you are a business owner, you might be wondering which category your business falls into. No matter how inventive or simple your business model is, you can still have problems with cash flow.

To understand and predict how cash flows in your business, start by performing a health check on your accounts. Look at your latest profit and loss statement and check that your income is sufficient to cover your expenses. If your profit is falling behind your expenses and cash flow is slowing down you might need to take action.

Talk to us about preparing a cash flow statement and budget so that we can work with you to maximise your business's resilience over the next two years.

### **Your long-term financial stability**

With the economic chaos just now, this may seem a strange time to be thinking about financial stability but if we want to provide those we love with security then we should always be thinking long term.

The pandemic, spiralling inflation and the current economic downturn show all too clearly good health, and even life itself cannot be taken for granted.

When both partner's income and assets are vital for the household's financial security, it will inevitably mean financial difficulty for the survivor should either of them die.

With the right financial planning you can minimise the problems for your loved ones and here are a few reminders of the essentials:

### 1. Write your will

Without a will, your assets will be distributed according to intestacy rules. This would mean if you have surviving children, grandchildren, or great-grandchildren, your partner will inherit your personal property and only the first £270,000 and then half of the remainder of your estate. This could mean losing their home.

Writing your will should therefore be a priority, especially if you're not married or in a civil partnership. Common-law partners have no automatic legal right to inherit anything at all.

Getting help on the financial side of will writing could mean avoiding tax problems for all concerned.

### 2. Look at your pension

Your pension may be one of the largest assets you own. Many people are surprised that it is not covered by their will.

Instead, you will need to make your wishes clear to your pension provider to let your partner access the money within your pension.

You should also think about how you will take your pension. You could take an annuity; in return for your pension pot, an annuity can provide a guaranteed income for the rest of your life. A joint annuity is designed for couples and will provide an income so long as either partner lives – but the income provided will be lower.

A drawdown arrangement might offer a more rewarding alternative and provide greater flexibility to allow a surviving partner to make the financial arrangements they need.

It is a good idea to seek independent advice to ensure your pension can go on providing for your loved ones.

### 3. Take out a life insurance policy

Life cover is probably the most important step of all. A life insurance policy is designed to pay out a lump sum on death of the life or lives assured, providing your partner with the means to pay off things like the mortgage and help replace your income.

There are many kinds of life insurance and in an attempt to keep the premiums to a minimum with a maximum level of cover, (subject to health and meeting underwriting conditions) most of us seem to choose term insurance, which ceases when we reach an agreed age. The facts show we are living longer, and this type of cover may run out. A whole of life policy will cost more but will potentially allow you to provide for your loved ones whatever age you reach.

You also need to ensure that you have the right level of cover. Inflation may mean that a lump sum that was adequate 10 years ago is far from sufficient now.

You might need to include some extra benefits to your life policy, for example Critical illness cover and Long-Term Income Protection cover. In addition, you may need to consider a further type of cover Accident, Sickness and Unemployment. All these types of protection have a part in providing real financial security.

### 4. Get expert help

Security for your loved ones is simply too important to leave to chance. Expert help with the planning is vital to ensure they have the financial future you want them to have, whatever happens to you. If you do not have an independent adviser then ask us for a recommendation or see: [Finding an adviser | FCA](#)

## **File Companies House accounts early to avoid penalties**

If you are due to file accounts with Companies House by the end of September, use the online services where possible and allow plenty of time before your deadline

File online before your deadline. Companies House will send you an email to confirm that they have received your accounts. They will send you another email when they have registered your accounts.

If you're a small company, you cannot file abbreviated accounts anymore. Find out your [accounts filing options for small companies](#). You'll still need to file accounts if your company is dormant.

Companies House online services are available 24 hours a day, 7 days a week - and there are inbuilt checks to help you avoid mistakes.

To file online, you will need your [company authentication code](#). If you need to request a new code, you should allow up to 5 days for this to arrive at the company's registered office.

Companies House advise that You should only send paper accounts if your company cannot file online. Accounts filed on paper need to be manually checked. Companies House can only check them during [office opening hours](#), and they can take over a week to process.

If you need to file your accounts on paper, you should send them to Companies House well before the deadline. This will give you plenty of time to correct your accounts and resend them if they are rejected. You should also consider using a guaranteed next day delivery and note any factors which may make it difficult for a carrier to deliver on time. Companies House cannot accept postal delays as a reason to appeal a late filing penalty.

See: [Filing your Companies House information online - GOV.UK \(www.gov.uk\)](#)

### **Commonwealth market awareness webinar series**

The Department for International Trade (DIT) is hosting a series of market awareness webinars to highlight the business and exporting opportunities across a range of Commonwealth markets.

Throughout June and July DIT hosted sessions with the markets of Canada, Malta, South Africa & Pakistan which has supported businesses nationally in connecting with colleagues and partners overseas.

These webinars have provided businesses with knowledge and insight into the opportunities available in these markets.

In the second series of 1-hour webinars DIT will be covering more Commonwealth markets.

These sessions will include: -

- market opportunities panel discussion
- overview of specific sector opportunities and how businesses can get involved
- logistics & access to market
- inspiring trade success story with a UK business
- Q&A

See: [Commonwealth Market Awareness Series Part 2 \(great.gov.uk\)](#)

## **Safety net for Horizon Europe applicants extended**

The government has extended its guarantee scheme offering financial support to successful Horizon Europe applicants.

The extension will ensure that eligible Horizon Europe awardees will continue to be guaranteed funding, supporting them to continue their important work in research and innovation.

The guarantee will now be in place to cover all Horizon Europe calls that close on or before 31 December 2022, with the majority of grant signature dates expected before the end of August 2023.

Eligible, successful Horizon Europe UK applicants will receive the full value of their funding at their UK host institution for the lifetime of the grant. Awardees will be able to remain in the UK to receive this funding, which will provide reassurance for future collaborations, and support UK researchers whether UK association to Horizon Europe is confirmed, or otherwise.

See: [Safety net for Horizon Europe applicants extended \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/news/safety-net-for-horizon-europe-applicants-extended/)

## **How to deal with data protection complaints you receive as a small business**

The Information Commissioner's Office (ICO) has written a guide to help small businesses deal with complaints about how they've used people's information. If you are a small charity, small group or club, or small organisation, you will also find it useful.

Even with appropriate data protection policies in place, sometimes your staff, contractors, customers or others whose data you hold may be unhappy with how you have handled their personal information. Your response matters, because taking the right steps will help to protect your reputation as a business that cares about people's information. This will also help you provide a better service to your customers.

The guide is to help you decide what to do if you receive a data protection complaint.

See: [How to deal with data protection complaints you receive as a small business | ICO](https://ico.org.uk/for-small-businesses/how-to-deal-with-data-protection-complaints-you-receive-as-a-small-business/)

## **Bidding process for Wales' first freeport**

The Welsh and UK Governments are now inviting applications for Wales' first freeport, which should be up and running by summer 2023.

A Welsh freeport will be a special zone with the benefits of simplified customs procedures, relief on customs duties, tax benefits, and development flexibility.

The Welsh and UK Governments have worked together to design a freeport model which will deliver on three main objectives which must be met by applicants:

- Promote regeneration and high-quality job creation.
- Establish the Freeport as a national hub for global trade and investment across the economy.
- Foster an innovative environment.

As part of a fair and open competitive process to determine where the policy should be implemented in Wales, the Welsh Government and UK Government are today jointly publishing [Freeport Programme in Wales: bidding prospectus](#), which sets out the policy objectives both governments seek to achieve through the establishment of the freeport programme, and the parameters for how bids will be assessed.

The bidding process opened on the 1 September 2022. Applicants will have 12 weeks to complete and submit their bids. Bids must be submitted by 6pm on Thursday 24 November 2022.

The successful bid will be announced in early spring 2023, with the freeport being established by summer 2023.

See: [Freeport Programme in Wales | GOV.WALES](#)

### **Winter fuel support scheme 2022 to 2023**

Eligible households can claim a one-off £200 cash payment from their local authority. The money is to provide support towards paying winter fuel bills. This is in addition to the winter fuel payment offered by the UK Government.

The payment will be available to all eligible energy customers regardless of how they pay for fuel. This includes payments made on a pre-payment meter, by direct debit, paid quarterly or for those who use off-grid fuel.

The aim of the Welsh Government fuel support scheme is to reduce the impact of the rising cost of energy and the cost-of-living crisis.

The scheme will be open to households where an applicant is in receipt of one of the qualifying benefits:

- Income Support
- Income Based Job Seekers Allowance
- Employment and Support Allowance
- Universal Credit
- Working Tax Credits
- Child Tax Credits
- Pension Credit
- Personal Independence Payment (PIP)



- Disability Living Allowance (DLA)
- Attendance Allowance
- Carers Allowance
- Contributory Benefits
- Council Tax Reduction Scheme (CTRS)

Applicants must also be responsible for paying the energy bills for the property.

Applications can be made to local authorities via their website when the scheme opens on 26 September 2022.

See: [Wales winter fuel support scheme 2022 to 2023 | GOV.WALES](#)

### **Support for farmers and landowners to plant more trees**

Minister for Climate Change Julie James has announced £32 million for farmers and landowners to help Wales plant 86 million trees by the end of the decade to combat the climate emergency.

The announcement follows a short, intensive review carried out by the Deputy Minister for Climate Change which looked at removing barriers to woodland creation.

Wales needs to plant 43,000 hectares of new woodland by the end of this decade as part of the Welsh Government's journey to making the country net zero by 2050.

The two new schemes are:

- The Small Grants Woodland Creation scheme, which simplifies funding for farmers and other land managers to plant small areas of trees on land in Wales under two hectares which is agriculturally improved or of low environmental value.
- The Woodland Creation Grant, which offers funding for tree planting and fencing to farmers and land managers who have a woodland creation plan, approved by the Welsh Government.

Both schemes will provide grants towards tree planting, fencing and gates and 12 years of maintenance support.

See: [Farmers to help Wales reach Net Zero as Welsh Government pledges an extra £32m for tree planting | GOV.WALES](#)

### **Adult Learners' Week**

Adult Learners' Week is the largest celebration of lifelong learning in Wales and from the 19 to 25 September 2022.



The campaign celebrates the achievements of learners and adult learning provision across Wales, inspiring thousands of adults each year to engage in a wide range of learning opportunities whilst raising awareness of the value of adult learning.

See: [Adult Learners' Week - Learning and Work Institute](#)

### **Free downloadable guides to start or grow your business**

Enterprise Nation has a free start up kit available. The Start Up Kit is for anyone considering or starting a business. This kit offers all the tools and tips you need to succeed. It'll help you find an idea, spot a gap in the market and start your own small business

The guide covers:

#### Prepare

With any undertaking, preparation is key. Learn the base ingredients required for you to start a successful enterprise!

#### Launch

You have your idea. It's supported by research and a plan pointing you in the right direction. It's now time to start making sales.

#### Grow

Now it's time to grow your profits by keeping the business in balance, staying on top of cash flow and getting good support.

See: [The StartUp Kit | StartUp UK | Enterprise Nation](#)