

Written by 27 February 2023

Business News Northern Ireland

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!

Is the UK going to swerve a recession?

Better than anticipated purchasing managers' index (PMI) data for February indicate encouraging resilience of the economy in the face of headwinds which include rising interest rates, the ongoing cost of living crisis, labour shortages and strikes.



While many companies continue to report tough operating conditions, especially in the manufacturing sector, the broader business mood has been lifted by signs of inflation peaking, supply chains improving, and recession risks easing. The stress created by last autumn's mini budget is also continuing to work its way out of the financial system.

However, while the data suggest that near-term recession odds have fallen considerably, elevated inflation pressures clearly remain a concern, especially in the service sector. As such, the resilience of the economy and the stickiness of the survey's inflation gauges add to the likelihood of the Bank of England tightening policy further, which may dampen future growth expectations and suggests that the possibility of recession later in the year should not be ruled out.

UK business activity grew back into life in February, according to the flash PMI survey data compiled by S&P Global and sponsored by The Chartered Institute of Procurement & Supply (CIPS), displaying improved growth after six months of continual decline.

The latest reading is consistent with GDP growing at a quarterly rate of 0.3% after a 0.3% rate of contraction had been indicated for January. That leaves the signal for the first two months of the year flat on average, though momentum is clearly improving to suggest that the economy could return to growth in the first quarter as a whole after having stalled in the fourth quarter of last year and having contracted in the third quarter.

See: [UK recession risks ebb as flash UK PMI signals resurgent economic growth in February | S&P Global \(spglobal.com\)](https://www.spglobal.com/economics/news/2020/02/uk-recession-risks-ebb-as-flash-uk-pmi-signals-resurgent-economic-growth-in-february)

Age-Friendly Employer Pledge

The Age-Friendly Employer Pledge is an initiative run by the Centre for Ageing Better to help promote age-inclusive working practices.



The programme encourages employers to commit to improving work for people in their 50s and 60s and helps them take the necessary action to help older workers flourish in a multigenerational workforce.

More people are working later in life, but older workers often face prejudice and are overlooked. However, multigenerational workforces drive productivity and innovation.

The Age-Friendly Employer Pledge is a nationwide programme for employers who:

- recognise the importance and value of older workers;
- are committed to improving work for people in their 50s and 60s (and beyond); and

- are prepared to take action to help them flourish in a multigenerational workforce.

Signing up for the Age-Friendly Employer Pledge shows your commitment to older workers.

See: [Age-friendly Employer Pledge | Centre for Ageing Better \(ageing-better.org.uk\)](https://ageing-better.org.uk)

Coping with the rising cost-of-living

The recent rise in the cost-of-living has presented many of us with unexpected challenges. New research suggests that over 12 million people are now borrowing money for food or essential bills and half of them are doing so for the first time in their lives.

The results come as the Money and Pensions Service (MaPS) launches a campaign to reach people who are struggling with cost-of-living pressures, which will run alongside the UK Government's Help for Households.

It focuses on MaPS' MoneyHelper service, which provides free money guidance from an expert in a range of different formats, such as online, webchat, WhatsApp and telephone.

If you're already struggling, or worried things are heading that way, it can feel like there's no way forward. However, the first step to solving money problems is knowing where to turn.

See: [Free and impartial help with money, backed by the government | MoneyHelper](https://moneyhelper.org.uk)

HMRC see an increase in fraudulent claims for R&D tax relief

HMRC state that they have seen an increase in fraudulent claims for Research & Development (R&D) tax relief. They believe companies in certain sectors are being deliberately targeted by third parties to make inaccurate R&D claims as an amendment to their Company Tax Returns. As a result of this, they are increasing their compliance enforcement activity.

As part of a "One to Many" letter campaign, HMRC have sent letters to company directors whose companies have made R&D claims in the past. The letter asks them to review their previous claims using a checklist to make sure that the information they have provided about their claim is complete and correct and, if there is an error, to make amendments as necessary.

Directors are prompted to review their R&D claims by using the following checklist:

- Have you read and understood the [HMRC guidance on R&D?](#)
- Have you considered the conditions for making an R&D claim? Are you happy that the project is seeking an advance in the field of science and technology?

- Do you understand what you're claiming for?
- Who has helped with the supporting R&D report and are they qualified to do so?
- Have you read the R&D report, and do you agree with its contents?
- If you're working with a third party to make a claim, have they answered your questions satisfactorily?
- Does this claim seem to be too good to be true?

See: [Research and Development Tax Relief - HMRC One to Many letter](#)

Does your company have a shareholders agreement?

For limited companies, when it comes to making decisions, Company Law states shareholders who own more than 50% can pass a motion at a company meeting regardless of the views of other shareholders and if a shareholder(s) owns 75% or more of the shares they control the company outright and can veto the decisions of all other shareholders.

This may not suit all business situations, especially where you have two or more founders holding equal share capital or a group of owners with varying amounts of capital, some of whom are directors and some who are not, but who are all working together for the company's success.

A shareholders' agreement is entered into between all or some of the shareholders in a company. It regulates the relationship between the shareholders, the management of the company, ownership of the shares and the protection of the shareholders. They also govern the way in which the company is run.

A shareholders' agreement can help define how a business makes decisions to the benefit of all owners and is recommended where:

- A small number of owners want to reach collective and fair decisions for the benefit of all;
- Some owners may want to be able to influence decisions that are particularly relevant to them; or
- Some shareholders may not be directors and cannot influence operations on a day to day basis.

Typically it is seeking to deal with the three "D's" of death, disability and disagreement. It may also cover a variety of other significant areas for example, retirement and buy back of shares.

Our view is that a shareholders' agreement is an essential document for any limited company and an equitably drafted agreement should provide comfort to all parties to the agreement.

Please talk to us if you need help in planning for an agreement, especially where there are several shareholders, a new company is being formed, a shareholder wants to sell their shares or pass them to their children, someone is nearing retirement, or the company has borrowed money from a shareholder. We can help with share and company valuations and putting the shareholders wishes into an agreement with a local solicitor.

Fairtrade Fortnight 2023

Fairtrade Fortnight 2023 has begun today, 27 February and lasts until 12 March and the theme this year is food. This means you could focus on any aspect of Fairtrade and food to celebrate Fairtrade Fortnight 2023. This could be, climate change and food production, Fairtrade procurement, or food security to name but a few.

Each year Fairtrade Fortnight gives people across the UK the opportunity to celebrate Fairtrade achievements and learn more about the difference that Fairtrade makes.

See: [Fairtrade Fortnight - Fairtrade Foundation](#)

The International Trade Committee (ITC) launch investigation into export opportunities for UK businesses

The ITC is a cross-party Committee of MPs, and they are calling for written evidence submissions which examine the current situation for exporters, the support offered by the UK Government, and how easily exporters can access it.

Over the course of its inquiry, the Committee will investigate the key barriers preventing businesses from exporting, how these can be addressed, and whether the UK Government could provide additional support. Experts, stakeholders, and interested parties are encouraged to submit evidence to the inquiry.

The Committee is asking for initial written evidence to be submitted through the Committee's [web portal](#) by 12pm on Friday 24 March 2023.

It is recommended that all submitters familiarise themselves with [the Guidance on giving evidence to a Select Committee of the House of Commons](#), which outlines particulars of word count, format, document size, and content restrictions.

See: [MPs launch investigation into export opportunities for UK businesses - Committees - UK Parliament](#)

Innovation Loans Future Economy Competition: round 8

Innovate UK is offering up to £2 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.

You must be able to show that you:

- need public funding,
- can cover interest payments, and
- will be able to repay the loan on time.

The closing date to apply is 8 March 2023.

See: [Innovation Loans Future Economy Competition: Round 8 - Innovate UK KTN \(ktn-uk.org\)](https://ktn-uk.org)

HMRC Employer Bulletin: February 2023

HMRC publishes the Employer Bulletin 6 times a year, giving employers and agents the latest information on topics and issues that may affect them.

The February edition of Employer Bulletin has articles on:

- reporting advances of salary;
- changes to Basic PAYE Tools and PAYE Desktop Viewer;
- student and postgraduate loan thresholds from April 2023;
- how to help employees with income tax relief for employment expenses;
- getting ready for the National Minimum Wage rate increase; and
- Martyn's Law - public venue operator requirements.

See: [Employer Bulletin: February 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Innovate UK Transformative Technologies

Innovate UK is offering up to £20 million in grants to small and micro businesses in the UK that have ambitious, innovative ideas that could transform the future of our society and economy.

The competition is open specifically to businesses that have never before been funded by Innovate UK, and that have ambitious, innovative ideas within one of the six challenge themes:

- Semiconductors,
- future telecoms,
- artificial intelligence,
- engineering biology,
- quantum, and
- sustainable manufacturing.

See: [Competition overview - Innovate UK Transformative Technologies - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://www.innovation-funding.service.gov.uk/competition-overview)

Green Economy Webinar - Keep NI Beautiful

At 10am on Tuesday 28 March 2023, Invest Northern Ireland will be hosting a free webinar in partnership with Keep NI Beautiful.

Scott Howes, Strategic Lead for Climate Action, Keep Northern Ireland Beautiful will discuss the climate change challenges we all face both globally and in Northern Ireland. You will also hear how to improve your awareness about the impacts of the greenhouse effect, review the policy response and what changes we can make as individuals, groups, and organisations to make a significant impact.

This webinar will provide key information on:

- climate science facts,
- climate risks and opportunities for NI,
- global and local policy response,
- UK and NI emissions,
- journey to net zero,
- carbon footprints, and
- the case for action.

You will also be able to submit your questions directly to Scott.

See: [Green Economy Webinar - Keep NI Beautiful \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/green-economy-webinar-keep-ni-beautiful)

Growing online sales webinars for the tourism industry

Tourism Northern Ireland is hosting free webinars to provide the tourism industry with an insight into how they can grow online sales through TXGB.

TXGB is a business-to-business digital platform that connects you with online booking websites such as booking.com and Expedia. Connecting your business with these platforms can help you increase sales and reach new customers.

During the session you'll be provided with an overview of the platform, hear case studies, and be provided with tips on how to get involved. There will also be an opportunity for you to ask questions.

There are two sessions that will focus on different areas of the tourism industry.

[Growing Online Sales for Experience Providers](#)

Wednesday 1 March 2023, 10am to 10.45am

[Growing Online Sales for Accommodation Providers](#)

Wednesday 1 March 2023, 2pm to 2.45pm

See: [Growing online sales webinars for the tourism industry \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

Applications for INVENT 2023 are now open

Catalyst's annual INVENT competition has opened for entries, with a top prize of £25,000 for the overall winner. The competition provides the opportunity for early-stage start-ups and entrepreneurs to showcase their innovations and proof-of-concept ideas to a panel of expert judges.

INVENT builds up to an awards event which will take place in the ICC Belfast on 21 September 2023, which will reward the brightest ideas from across the region that the judges believe to have the greatest potential for impact.

The competition has five categories which seek to address major global matters such as climate change. The categories are:

- greentech,
- health and wellbeing,
- physical product,
- business software, and
- consumer software.

The awards have a total £50,000 prize fund available, with each category winner taking home £5,000 and the overall winner receiving an additional £20,000, totalling a £25,000 top prize.

As well as a share of the prize fund, applicants will have the chance to gain high profile exposure, validate their idea and unlock a quality network of influencers.

Recognising the increased importance placed on diversity and inclusion, this year's INVENT will offer a new award to celebrate inclusive innovation. Additional prizes for the best elevator pitch and student INVENT will also be presented on the awards night.

See: [INVENT \(invent23.co\)](https://invent23.co)

Applications open for FutureScope Photonics NI

Delivered by Digital Catapult, as part of the Smart Nano NI consortium, FutureScope Photonics NI is a nine-week programme which will support up to ten Northern Ireland companies in the adoption, development, validation and scaling of photonic technologies for industry challenges.

Photonics is the science and technology of light. Photonics technologies can help to add efficiencies, reduce waste, and increase sustainability in manufacturing operations.

With an emphasis on quality control, FutureScope Photonics NI is aimed at Northern Ireland companies in the following sectors:

- manufacturing,
- construction,
- agritech, and
- pharmaceuticals and medical devices.

The companies should be looking to adopt commercial photonics solutions into their processes.

See: [FutureScope Photonics NI - part of the Smart Nano NI Consortium \(digicatapult.org.uk\)](https://digicatapult.org.uk)

Northern Ireland Corporate and Incentive Support Scheme

The Northern Ireland Corporate and Incentive Support Scheme provides financial support to attract corporate and incentive events to Northern Ireland that take place between 1 April 2023 and 31 March 2024.

The scheme aims to drive tourism recovery and attract events to the region that showcase what Northern Ireland has to offer as a world-class business events and incentive destination.

Key information about the scheme:

- Open to corporate and incentive events with a minimum 100 out-of-state bednights (100 attendees for at least one night or a minimum of 50 attendees for at least two nights).
- Awards of £2,500 up to £50,000 available.
- Funding will be determined based on the number of in person attendees (up to £50 per out-of-state delegate).
- 75% of funding can be claimed in advance of the event with 25% claimed after a successful post event evaluation or alternatively the full amount can be claimed post event.
- Applications can be made now for events taking place from 1 April 2023 and 31 March 2024.
- Funding is limited and awards will be made on a first come first served basis so apply early to avoid disappointment.

Funding will be provided for spend against eligible costs such as:

- Venue costs (including AV, technical and hybrid costs but excluding any food and beverage costs),
- Exhibition marketing,
- Pre-conference marketing costs,
- Delegate transfer costs, and
- Speaker costs.

See: [Northern Ireland Corporate and Incentive Support Scheme \(nibusinessinfo.co.uk\)](http://nibusinessinfo.co.uk)

Producers urged to check requirements under ROI's Deposit Return Scheme

The Republic of Ireland's new Deposit Return Scheme (DRS) will go live on Thursday 1 February 2024. Producers and manufacturers of drinks or those who sell them online have a role to play in the new scheme. Northern Ireland producers should now check how the DRS will affect their activities.

Northern Ireland producers should familiarise themselves with the Re-turn scheme and potential registration requirements.

Under DRS legislation, a producer is defined as any person, irrespective of the selling technique used, who is first to place in-scope products on the market in ROI.

The DRS process begins with the producer. For every in-scope drink the producer places on the market, they will pay an additional deposit fee.

This is recouped when the retailer buys in-scope drinks as they will pay the producer the product price plus the deposit fee, ensuring the deposit fee is cost-neutral for all involved.

All in-scope drinks containers will feature the Re-turn logo, ensuring that the container can be clearly identified by both consumers and retailers accepting empty containers over the counter.

Northern Ireland producers who manufacture products for the ROI market should find out now if and how they need to interact with the scheme. Re-turn's producer and retailer registration process is expected to close at the end of March 2023.

See: [Producers | DRSI \(Re-Turn\)](#)