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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!

Managing your cash flow is essential right now!

With ever increasing supplier prices, a recent rise in interest rates, and a looming recession, managing your business's cash and understanding the flow are now vital tools in maintaining resilience and being able to adopt flexible strategies for success.

Cash flows reflect all the cash that is flowing in and out of a business. Owners can look at the direction of the cash flows for insights about the health of specific products or services and overall market patterns.



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. Here are our thoughts on managing the flow of cash in your business:

The first stage of understanding and predicting how funds flow is to perform 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. Prepare a cash flow statement so you know where the money goes.

Next create a yearly budget and look where cash could become tight and months where you can save to cover off the quieter times. Look at those quieter months and think about flexible work scheduling, new products or services, or other activities to tide you over.

Finally make sure you collect your money from those who owe you quickly. Reward customer loyalty by offering early bird discounts and set credit limits and payment terms to ensure customers follow the rules. If you take on new customers, make credit checks. Penalise late payers and request up front deposits or payment.

Please talk to us about preparing a cash flow statement and annual budget so that you can work on your business for maximum success!

Households, businesses, and organisations who are “off the gas grid” to receive energy bill support over the coming weeks

From Monday last week, households across Great Britain who don't use mains gas for heating started to receive £200 towards their energy bills as the Alternative Fuel Payment (AFP) scheme launched. Most will get the £200 AFP automatically as a credit on their electricity bill, but some customers will need to apply for the support later this month.

Nearly 2 million households who use alternative energy sources such as heating oil, biomass, and liquefied petroleum gas (LPG) to warm their homes will receive the support.

The vast majority, including many homes in rural areas, will get it automatically through their electricity supplier as a credit on their bill throughout February. A small minority of customers, such as those living in park homes or on static houseboats with no direct energy supplier, will need to apply to receive the payment through an online portal that will launch later this month.

Meanwhile, energy suppliers are also able to start making payments to businesses and both public and voluntary sector organisations that use alternative fuels to heat their buildings. A credit of £150 will be provided to eligible customers across the UK through the Non-Domestic Alternative Fuel Payment scheme (ND-AFP). Suppliers will deliver this support up to 10 March, with most customers expected to receive it later this month. There is no need to contact your supplier.

See: [Households, businesses and organisations off the gas grid to receive energy bill support over the coming weeks - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/households-businesses-and-organisations-off-the-gas-grid-to-receive-energy-bill-support-over-the-coming-weeks)

New law gives employees and other workers more say over their working hours

The UK government has supported the recently introduced “Predictable Terms and Conditions” Bill, which will bring forward changes for tens of millions of workers across the UK.

The move, which would apply to all workers and employees including agency workers, comes after a review found many workers on zero hours contracts experience ‘one-sided flexibility’.

This means people across the country are currently left waiting, unable to get on with their lives in case of being called up at the last minute for a shift. With a more predictable working pattern, workers will have a guarantee of when they are required to work, with hours that work for them.

If a worker’s existing working pattern lacks certainty in terms of the hours they work, the times they work or if it is a fixed term contract for less than 12 months, they will be able to make a formal application to change their working pattern to make it more predictable.

The move comes as part of a package of policies the UK government is supporting to further workers’ rights across the country, such as:

- supporting parents of babies who need neonatal additional care with paid neonatal care leave
- requiring employers to ensure that all tips, gratuities, and service charges received must be paid to workers in full
- offering pregnant women and new parents greater protection against redundancy
- entitling unpaid carers to a period of unpaid leave to support those most in need
- providing millions of employees with a day one right to request flexible working, and a greater say over when, where, and how they work.

The government states that these policies will increase workforce participation, protect vulnerable workers, and level the playing field, ensuring unscrupulous businesses don’t have a competitive advantage.

See: [New law gives tens of millions more say over their working hours - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/new-law-gives-tens-of-millions-more-say-over-their-working-hours)

HMRC late payment interest rates to be revised after Bank of England increases base rate

The Bank of England Monetary Policy Committee announced on 2 February 2023 that it would increase the Bank of England base rate to 4% from 3.5%.

HMRC interest rates are linked to the Bank of England base rate.

As a consequence of the change in the base rate, HMRC interest rates for late payment and repayment will increase.

These changes will come into effect on:

- 13 February 2023 for quarterly instalment payments
- 21 February 2023 for non-quarterly instalment payments.

Late payment interest is set at base rate plus 2.5%. Repayment interest is set at base rate minus 1%, with a lower limit - or 'minimum floor' - of 0.5%.

The differential between late payment interest and repayment interest is in line with the policy of other tax authorities worldwide and compares favourably with commercial practice for interest charged on loans or overdrafts and interest paid on deposits.

See: [HMRC late payment interest rates to be revised after Bank of England increases base rate - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/hmrc-late-payment-interest-rates-to-be-revised-after-bank-of-england-increases-base-rate)

Innovate UK Smart Grants

Innovate UK, part of UK Research and Innovation, is investing up to £25 million in the best game-changing and world-leading ideas.

Ideas need to be designed for swift, successful commercialisation and be genuinely new and novel, not just disruptive within their sector.

All proposals must be business-focused, with deliverable, realistic, adequately resourced plans to achieve return on investment, growth, and market share following project completion.

Applications can come from any area of technology and be applied to any part of the economy, such as, but not exclusively:

- net-zero
- the arts
- design and media.

To be in scope, your proposal must demonstrate (amongst other things):

- a game-changing, innovative, and disruptive idea that will lead to new products, processes or services

- an idea that is significantly ahead of others in the field, set for rapid commercialisation
- clear potential to positively impact the UK's position, productivity, and competitiveness within the global economy.

See: [Competition overview - Innovate UK Smart grants: January 2023 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://www.innovation-funding.service.gov.uk/apply-for-innovation-funding)

‘Here to help’: Commission launches new push on trustee guides as sector faces challenging year

The Charity Commission is launching the next stage of its campaign to raise awareness of core trustee duties and guidance available as the sector faces challenges ahead.

The Commission has developed a collection of short guidance on issues ranging from safeguarding people to managing conflicts of interest. Dubbed the ‘5-Minute Guides’, the collection serves as a basic toolkit for trustees who are managing the many demands of running a charity.

The latest phase of the campaign, running to 16th March, aims to raise awareness of, and boost use of, the 5-minute guides. The regulator hopes this will increase knowledge and understanding of essential trustee duties. This comes as charities face additional challenges due to cost-of-living pressures.

The Commission’s latest research shows that around 98% of trustees feel ‘very’ or ‘somewhat’ confident in managing or governing their charity but, when questioned on basic role requirements, on average, trustees answered just 7 out of 10 questions correctly - demonstrating a knowledge gap that could lead to unintentional governance failings.

The core suite of 5-minute guides covers the following subject areas:

- [Delivering purpose](#) – advice on how to use your charity’s governing document, how to deliver on your charity’s purposes and the law.
- [Managing finances](#) – advice on how to ensure your charity’s money is safe, properly used and accounted for.
- [Conflicts of interest](#) – advice on how to identify and deal with conflicts of interest in your charity.
- [Making decisions](#) – advice on how to make valid trustee decisions that are in your charity’s best interests.
- [Reporting information](#) – advice on how and what you need to report to the Commission.
- [Safeguarding people](#) – advice on your responsibilities to keep everyone who comes into contact with your charity safe from harm.

- [Political activity & campaigning](#) – advice for charities that want to support, or oppose, a change in government policy or the law.

See: [Advice and guidance for Charity Trustees – Getting the most out of being a charity trustee](#)

What is inclusive leadership?

There have been numerous studies into the relationship between diversity and inclusion and company performance, and many of them have come to the same conclusion - diversity and inclusion is good for business.

The biggest advantage of inclusive leadership is that inclusive leaders know how to unleash individual potential and create an environment where all talent can thrive and grow. The more people feel included, the more they speak up, go the extra mile, and collaborate — all of which ultimately lifts organisational performance.

Inclusive leadership is emerging as a unique and critical capability helping organisations adapt to diverse customers, markets, ideas, and talent.

The workshop will include:

- What inclusion means
- What makes an inclusive leader
- How to make that happen
- How an organisation can create inclusive leadership.

Organised by “Fairplay Employer”, the next date for this free 45-minute webinar is Monday 13 March.

See: [What is inclusive leadership? Tickets, Mon 13 Mar 2023 at 13:30 | Eventbrite](#)

The digital pound consultation

HM Treasury and the Bank of England are consulting on a potential digital pound, or central bank digital currency (CBDC).

If introduced, a digital pound would be issued by the Bank of England and could be used by households and businesses for everyday payments in-store and online. It would also be interchangeable with cash and bank deposits, complementing cash.

No decision has been taken at this stage to introduce a digital currency.

See: [The digital pound: A new form of money for households and businesses? - GOV.UK \(www.gov.uk\)](#)

Glasgow Guarantee

This free employment programme helps match businesses looking for candidates with Glasgow residents looking for work.

Support is provided to Glasgow businesses that are recruiting for future employees, and job opportunities are made available to Glasgow residents who are either:

- unemployed
- underemployed (in part-time work or on a zero hours contract)
- about to leave school or college.

Business that are recruiting staff can benefit from:

- financial support through a wage subsidy
- access to a pool of work-ready job candidates
- access to additional training funds.

Candidates looking for a new job can benefit from:

- instant access to a large number of permanent Glasgow vacancies and modern apprenticeship opportunities
- full support and assistance from a local employability provider
- jobs that run for a minimum of 2 years
- being paid the Glasgow Living wage.

See: [Home - Glasgow Guarantee](#)

East Renfrewshire Council Micro Grants Fund

East Renfrewshire Council's Micro Grants Fund supports small businesses in East Renfrewshire to help with their performance, growth and development.

Small businesses that turn over between £10,000 and £50,000 a year and trade for at least 20 hours a week can apply for one grant a year from the following categories:

Equipment Grant (up to £500)

For one piece of equipment, tooling, or computer hardware that will enable the business to grow and develop. Match funding is not required.

E- Commerce Grant (up to £500)

For the development of e-commerce activity that will increase the ability of a micro business to trade better through digital selling platforms (excluding Facebook advertising). Match funding is not required.

Training Grant (up to £500)

50% match funding for continuing professional development (CPD) or training for key

staff at VQ level 3 or above (or equivalent). Capped at £100 per staff member. Mandatory training requirements are not eligible.

Health and Wellbeing Grant (up to £250)

For businesses to develop a health and wellbeing policy for their workforce. Businesses must have one or more full-time equivalent (FTE) employees other than the business owner. Match funding is not required.

Tried and Tested Grant (up to £250)

For ideas testing of products and processes. The outcome must include an options appraisal to provide a rationale for going forward. Match funding is not required.

See: [Business development grants 2022 to 2023 - East Renfrewshire Council](#)

Other available Renfrewshire Grants

Business Resilience Grant

The Business Resilience Grant can provide up to 50% match funding to help small and medium-sized businesses in Renfrewshire recover and grow. Grants of £1,000 up to £10,000 are available.

The grant can be used for:

- new equipment and machinery
- property expansion or improvements
- exhibiting at a national trade show
- the costs of developing new products or processes.

This grant is for new spend that your business has yet to incur. It can't be used for items already purchased.

Your project must not have started before you apply.

The grant will be paid when the project has been completed and the supplier has been paid. This means that initially you must be able to afford the project's full cost until you are refunded.

See: [Business grants and loans - Renfrewshire Website](#)

Business Restart Loan

The Business Restart Loan offers interest-free loans to help small and start-up businesses in Renfrewshire with their short-term cashflow. Loans of between £1,000 and £5,000 are available, with a repayment period of up to 3 years.

The loans aim to encourage the creation and growth of small businesses based in Renfrewshire.

Applicants must demonstrate that the loan is financially needed and will only be used to provide an economic benefit to the business. For example, the loan can be used for:

- start-up costs, including the purchase of existing businesses
- provision of working capital
- the purchase of assets
- the purchase of commercial property, or property extensions or alterations.

The Restart Loan cannot be used to pay an existing debt.

The loans are provided in partnership with Right Way Credit Union.

See: [Renfrewshire Business Restart Loan \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

CyberScotland Week 2023 - How to get involved

CyberScotland Week 2023 will take place from 27 February to 5 March 2023. This week of events is dedicated to raising cybersecurity awareness, improving skills and promoting innovation.

Industry leaders, experts, and enthusiasts from all over the country will come together to share their knowledge, demonstrate their work, and discuss the latest trends and advancements in cybersecurity.

During the week, you can access free webinars, resources, and learning opportunities to become more informed about cybersecurity risks and how you can protect yourself and your organisation.

Organisations and businesses in Scotland can also attend events to learn more about cybersecurity and how to improve their resilience. You will find the list of events on the CyberScotland Week website.

How you can get involved in CyberScotland Week

The CyberScotland Partnership wants everyone to have the chance to participate in CyberScotland Week.

Organisations and businesses are encouraged to host their own event during the week. CyberScotland Week can help connect you with speakers, experts, and future talent to help you organise a successful event.

If you're interested in hosting an event, please send your event information to CyberScotland Week. They will add it to the website so that others can easily find and sign up for your event.

You can find more information about how your organisation can register your event on the CyberScotland Week website.

See: [Get Involved — CyberScotland Week](#)