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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!

UK Budget Summary

Last week, Jeremy Hunt, Chancellor of the Exchequer, revealed his first Spring Budget. There was a focus on managing inflation and government debt, encouraging those who have left their jobs to return to the workforce, and increasing business investment.



Here are some of the key measures announced in the Spring Budget that will affect businesses and individuals across the UK:

- The Main rate of corporation tax, paid by businesses on taxable profits over £250,000 has been confirmed to increase from 19% to 25%. Companies with profits below £50,000 will pay at 19% and companies with profits between £50,000 and £250,000 will pay at an effective marginal rate that is between 19% and 25% from 1 April 2023.
- There are changes to Research and Development Expenditure Credit (RDEC) available and, for non-SME companies, RDEC will be increased from 13% to

20%. For many SME companies, the R&D tax relief enhancement will be reduced from 230% to 186%.

- The Annual Investment Allowance (AIA), giving 100% tax relief to unincorporated businesses and companies investing in qualifying plant and machinery, is now permanently set at £1million. The super-deduction, which gives enhanced 130% relief for new qualifying plant and machinery acquired by companies, will end on 31 March 2023.
- From 1 April, companies can fully deduct investment in new qualifying plant and machinery to lower their taxable profits. In addition, a 50% first year allowance will be available for integral features.
- From 6 April 2023, the Company Share Option Plan (CSOP) employee share options limit will increase from £30,000 to £60,000. Additionally, restrictions on the types of shares eligible for CSOP options will be lifted.
- The Government will establish 12 'Investment Zones' across the UK, including a promise to have at least one each in Scotland, Northern Ireland, and Wales.
- The Government is increasing the availability of the Seed Enterprise Investment Scheme for start-up companies. The amount of investment that companies will be able to raise under the scheme will increase from £150,000 to £250,000. The gross asset limit will be increased from £200,000 to £350,000 and the investment must be made within 3 years (increased from 2 years) of trade commencing. In a bid to support these changes, the annual investor limit will be doubled to £200,000. The changes take effect from 6th April 2023.
- Fuel duty freeze – A freeze on fuel duty and the 5p reduction will remain in place for another year.
- Alcohol taxes are to rise in line with inflation from August, with new reliefs for beer, cider and wine sold in pubs.
- Pension tax reform – The pensions annual tax-free allowance will increase from £40,000 to £60,000 and the Lifetime Allowance will be abolished to encourage highly skilled individuals to continue working for longer.
- The Energy Price Guarantee which caps how much suppliers can charge per unit of energy used will stay in place until June 2023.
- 30 hours of free childcare to be provided for one and two-year-olds to help parents in England return to work, this will eventually cover all children from the age of nine months. This will be rolled out in stages from April 2024.

Combined with the many mini-budgets and statements made towards the end of 2022, this Budget brings change; good, bad, and often to be determined with time. What is clear is that 2023 remains a year of opportunity and we are here to work alongside you and help you grow!

For further details please see our more detailed Budget Summary released last week and please talk to us if you need guidance on any of the changes announced last week.

New UK Version of GDPR

New data laws to cut down paperwork for businesses and reduce cookie pops-up have been introduced by the UK government.

The Data Protection and Digital Information Bill was first introduced last Summer and paused in September 2022 so ministers could engage in a co-design process with business leaders and data experts, ensuring that the new regime builds on the UK's high standards for data protection and privacy and seeks to ensure data adequacy while moving away from the 'one-size-fits-all' approach of the European Union's GDPR.

Data is fundamental to fuelling economic growth in all areas of society, from unlocking medical breakthroughs to helping people travel, manage their finances, and shop online. It is vital to the development and use of innovative technologies such as artificial intelligence.

Data-driven trade generated 85 per cent of the UK's total service exports and contributed an estimated £259 billion to the economy in 2021.

The bill will:

- Introduce a simple, clear and business-friendly framework that will not be difficult or costly to implement – taking the best elements of GDPR and providing businesses with more flexibility about how they comply with the new data laws;
- Ensure the new regime maintains data adequacy with the EU, and wider international confidence in the UK's comprehensive data protection standards;
- Reduce the amount of paperwork organisations need to complete to demonstrate compliance;
- Support international trade without creating extra costs for businesses if they are already compliant with current data regulation;
- Provide organisations with greater confidence about when they can process personal data without consent; and
- Increase public and business confidence in AI technologies by clarifying the circumstances in which robust safeguards apply to automated decision-making.

See: [British Businesses to Save Billions Under New UK Version of GDPR - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/british-businesses-to-save-billions-under-new-uk-version-of-gdpr)

Building business resilience

The British Business Bank's Guide to building business resilience contains impartial, practical, and actionable information and support to help smaller businesses manage their costs, boost their long-term profitability, and increase their resilience.



There is guidance on everything from energy efficiency to investing in technology, included to help make your business more innovative and resilient.

Other topics covered in the guide include:

- Foundations for growth,
- Managing business costs,
- Securing funds and controlling debt,
- Focusing on customers,
- Optimising your supply chain, and
- Controlling staff overheads.

See: [Guide to building business resilience - British Business Bank \(british-business-bank.co.uk\)](https://www.british-business-bank.co.uk)

Government and Bank of England facilitate sale of Silicon Valley Bank UK

Silicon Valley Bank (UK) Ltd (SVB UK) was sold last week to HSBC for a symbolic £1. HSBC is headquartered in London, is the largest bank in Europe and is one of the world's largest banking and financial services institutions, serving 39 million customers globally. Customers of SVB UK are now able to access their deposits and banking services as normal.

This transaction has been facilitated by the Bank of England, in consultation with the Treasury, using powers granted by the Banking Act 2009. The deal makes use of post-crisis banking reforms, which introduced powers to safely manage the failure of banks.

See: [Government and Bank of England facilitate sale of Silicon Valley Bank UK - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

The recent Global bank stocks slump has implications for all businesses

Following the collapse of Silicon Valley and Signature banks, bank shares in Asia and Europe have slumped, despite the reassurances from Joe Biden. The volatility has led to speculation that the Federal Reserve will pause plans to raise interest rates, designed to halt inflation.

We should remember that post 2008 there was a focus on reforming banks considered “too big to fail” and the issues right now mainly focus on medium to smaller sized banks. There is a clear message about the failure of Silicon Valley and Signature banks in that they were mainly concentrated in one sector, and they came under pressure as the rise in interest rates affected asset values.

Understanding who your most valuable customers are helps focus your efforts to increase sales, but diversification is also important. Even if you have many customers, it's risky if they are too similar and could be affected by a similar change in business or the market. For example, if your three largest customers are based in the US, an unfavourable change in the exchange rate could see them all drastically reduce their orders.

If you run a business, then the message is: “Diversify your customer base”. Here are some thoughts:

- increase your market share by widening your customer base in your existing markets,
- use information to understand your competitors and take advantage of any gaps in the market,
- grow through product and service development,
- grow through strategic partnering with other businesses, and
- grow through international trade.

The key question is: "Do you have a Marketing Plan?"

Successful businesses all have two things in common: a thorough understanding of customer needs and a total dedication to their customers.

The logic is that you gather information about your business and get an insight into the way customers and prospective customers think and make ‘buy’ decisions. So, take a day out to work on your marketing plan and set some targets.

By the end, you should be in a position to:

- Have gathered information about existing and potential customers needs and wants;
- Have facilitated a discussion about the marketing actions the company should take;
- Know the unique selling points that your business has and how to take advantage of these;

- Understand how to differentiate the business from competitors; and
- Produce a marketing plan.

A marketing plan sets out how you are going to put your business strategy into practice. The marketing plan ensures that everyone in the business knows what you are trying to do and what they need to do to make it happen.

Please talk to us – we can provide you with a marketing template to get your thoughts into a plan so you can take action and grow your business!

Faraday Battery Challenge

Innovate UK, part of UK Research and Innovation, will work with the Faraday Battery Challenge to invest up to £1.5 million in innovation scale-up projects.

The aims of this competition are to:

- support an SME's research and development for the scale-up of battery technologies within the UK;
- support an SME to access the UK Battery Industrialisation Centre (UKBIC) and demonstrate technologies at suitable scales to customers;
- increase engagement with UKBIC;
- move UK battery innovations from technological potential towards commercial capability; and
- develop and secure material and manufacturing supply chains for battery technologies in the UK.

The competition closes at 11am on 4 April 2023.

See: [Competition overview - UK Battery Industrialisation Centre SME Credit Round 1 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://www.apply-for-innovation-funding.service.gov.uk/competition-overview)

The King's Awards for Enterprise

Businesses will soon be invited to apply for the UK's most prestigious business award when applications open in May.



The Queen's Award for Enterprise has been renamed following the Accession of King Charles III. The Awards will become The King's Award for Enterprise. The King's Awards for Enterprise recognise and encourage the outstanding achievements of UK businesses in the fields of:

- international trade,
- innovation,
- sustainable development, and
- promoting opportunity through social mobility.

Businesses of all sizes and from all sectors can apply. The awards are free to enter, and you can apply for more than one award. To be eligible, your organisation must:

- be based in the UK (including the Channel Islands and the Isle of Man);
- have a good compliance record with HM Revenue and Customs (HMRC) - for example, showing you pay the right amount of tax on time;
- be a self-contained enterprise that markets its own products or services and is under its own management;
- have at least two full-time UK employees or part-time equivalents; and
- demonstrate strong corporate social responsibility.

Your organisation can be a business or a non-profit organisation. Each of the award categories has additional entry criteria.

The awards are valid for five years. Previous winners have reported benefiting from worldwide recognition, increased commercial value, excellent marketing opportunities and press coverage and a boost to staff morale.

See: [The King's Awards for Enterprise: About the awards - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/awards/the-king-s-award-for-enterprise)

Additional funding for social start-ups announced

The Net zero carbon start-up grant is a pilot scheme which aims to help get social business 'start-ups' off the ground, while at the same time embedding climate friendly practices.

Round 3 of the scheme is now open with a tight window for applications from any up-and-coming social business or trading voluntary organisation in Wales. You don't need to be an environmental or climate change focussed group to apply.

The deadline for applications is 24 March 2023.

See: [Social business start-up grant - WCVA](https://www.wcva.gov.uk/social-business-start-up-grant)

Updated guidance on finding a professional to certify export health certificates

If you want to export animals and animal products from the UK, you need to nominate someone to sign an export health certificate.

This will be an official vet or sometimes a local authority inspector (usually an environmental health officer). They will check your consignment meets the health requirements of the destination country.

See: [Wales: professionals who can certify export health certificates - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/wales-professionals-who-can-certify-export-health-certificates)

Agricultural Minimum Wage Changes from 1 April 2023

All employed agricultural, horticultural and forestry workers in Wales, including workers employed by gang masters and employment agencies, are entitled to at least the Agricultural Minimum Wage.

The Agricultural Wages (Wales) Order 2023 comes into force from 1 April 2023. It replaces the Agricultural Wages (No.2) (Wales) Order 2022 and increases the minimum wage rates and allowances.

See: [Agricultural wages: minimum rates of pay | GOV.WALES](https://gov.wales/agricultural-wages-minimum-rates-of-pay)

Wales Coast Awards – Help for Businesses

The Wales Coast Awards play a vital role in protecting our marine environment and are recognised around the world as a symbol of quality, having awarded the Blue Flag, Green Coast Award and Seaside Award for more than 20 years.

To attain one of these prestigious awards, a beach, marina, or tourism boat operator must meet and maintain the highest environmental standards and achieve tough water quality targets.

The Wales Coast Awards are a guarantee to visitors that they've arrived at a top destination.

With an increasing number of people deciding to holiday at home, the award-winning locations are not only an incredible part of Wales; they serve as an attraction for local businesses.

Hotels and guest houses

If your hotel or guest house is located by an awarded beach, your visitors will be guaranteed a clean, attractive, and well managed stretch of coastline. Along with the Coast Awards, the Foundation for Environmental Education also develops another eco-label for accommodations: the Green Key award.

Tourist attractions

Promote the Coast Awards as part of your attraction and celebrate our beautiful coastline.

Shops and restaurants

The Coast Awards are the nationwide standard for the best beaches and a promotional tool for your business.

The Blue Wales digital toolkit aims to inspire you to shout about your local Blue Flag, which in turn will increase people's understanding of their area and drive customers to your business whilst enjoying its incredible surroundings.

See: [Help for businesses - Keep Wales Tidy](#)

Economy Minister announces major investment to support Wales' exports

Addressing the "Explore Export Wales" annual conference, Economy Minister Vaughan Gething will announce the Welsh Government's full export support programme for 2023 to 2024 and an investment of £4 million to deliver it.

The export action plan is a key part of the Programme for Government. The plan commits the Welsh Government to continuing to deliver a comprehensive range of export programmes, working with the wider 'export eco-system', to support businesses at all stages of their export journey, from:

- Inspiring businesses to export,
- Building export capability,
- Finding overseas customers, and
- Accessing overseas markets.

The Welsh Government's 2023 to 2024 export programme includes a series of overseas trade events, primarily built around key international trade shows aligned with the priority export sectors for Wales.

See: [Economy Minister announces major investment to support Wales' exports | GOV.WALES](#)

Spring COVID booster programme for over 75s and the most vulnerable

The Welsh Government has confirmed that a spring COVID-19 booster vaccination programme will begin on 1 April 2023 for the most vulnerable, including people over 75.

Following advice from the expert Joint Committee on Vaccination and Immunisation (JCVI), the vaccine will be offered to:

- adults aged 75 and over,

- residents in care homes for older adults, and
- individuals aged 5 years and over who are immunosuppressed.

In addition, the Welsh Government has announced that the universal offer of a COVID-19 booster will end on 31 March 2023. Higher risk groups and people who develop a new health condition that makes them eligible will still be able to receive their booster vaccine, if advised by a doctor or other clinician.

People who have not received their primary course of vaccinations will be able to do so until 30 June 2023. The JCVI has recommended that the high level of population immunity has enabled the changes.

As well as the spring booster programme, there will be an autumn booster programme later this year, following further advice from the JCVI.

See: [Spring COVID booster programme for over 75s and most vulnerable | GOV.WALES](#)

Scheme aims to help more than 10,500 people into work

A new scheme which aims to support over 10,500 people who are in recovery from substance or alcohol misuse, or have mental ill-health, to get into education, training or work has been launched by the Welsh Government.

The programme, the only Wales-wide service of its kind, helps participants develop their confidence by participating in activities and supports them to access training, qualifications and work experience or volunteering.

Participants are supported by peer mentors, who draw on their own experiences to help others. Peer mentors work with the participants on activities to help overcome barriers to education, training or employment.

Participants will receive support in areas such as developing interpersonal skills, budgeting, accessing housing, medical care, and accessing financial support.

The programme is open to people between 16 and 24 who are not in education, employment or training, and adults aged 25 or over who are long-term unemployed or economically inactive.

See: [Scheme aims to help more than 10,500 people into work | GOV.WALES](#)

North Wales - Growth Deal Funding

Applications are open for the Growth Deal Funding.

£30 million of funding is available to deliver ambitious, innovative, and transformational new projects in North Wales. Projects will need to demonstrate that they will deliver jobs, growth and investment into the region.

The closing date for entries is 27 March 2023.

See: [Ambition North Wales | Growth Deal Funding](#)

The Great British Expos - Cardiff Expo

The Great British Business Expos provide SME Regional Business Exhibitions and Events, with exhibitions taking place in Cardiff, Bristol, London, Swindon, Birmingham, Reading and Manchester. Each event attracts average 120 exhibitors and 1000+ visitors.

Visiting business delegates can network, find new suppliers, meet innovative exhibitors, be inspired by keynote speakers, be informed by industry-leading workshops, and be empowered to take their business to its next level.

Book your free ticket for the Cardiff event which takes place on 30 March 2023.

See: [The Great British Expos - Cardiff Expo \(Wales\) Tickets, Thu 30 Mar 2023 at 10:00 | Eventbrite](#)

Consent granted for Wales' first floating windfarm

The Welsh Government has granted consent for Wales' first floating windfarm located 40km off the coast of Pembrokeshire.

Project Erebus will house 7 next-generation 14MW turbines on floating platforms, providing enough low carbon energy to power 93,000 homes.

Erebus is part of the first phase of a 4 gigawatt renewable energy development in the Celtic Sea, enough power for 4 million homes.

Future phases of the development could realise an additional 20 gigawatts of renewable energy, which will transform the way we power our homes and businesses.

Blue Gem Wind, the joint venture between TotalEnergies and Simply Blue Group is currently on target to begin operating the 100MW Erebus project in 2026.

The project is part of a move away from an energy system dependent on expensive fossil fuels and will contribute to the Welsh Government's energy targets and improving our energy security.

See: [Consent granted for Wales' first floating windfarm | GOV.WALES](#)