

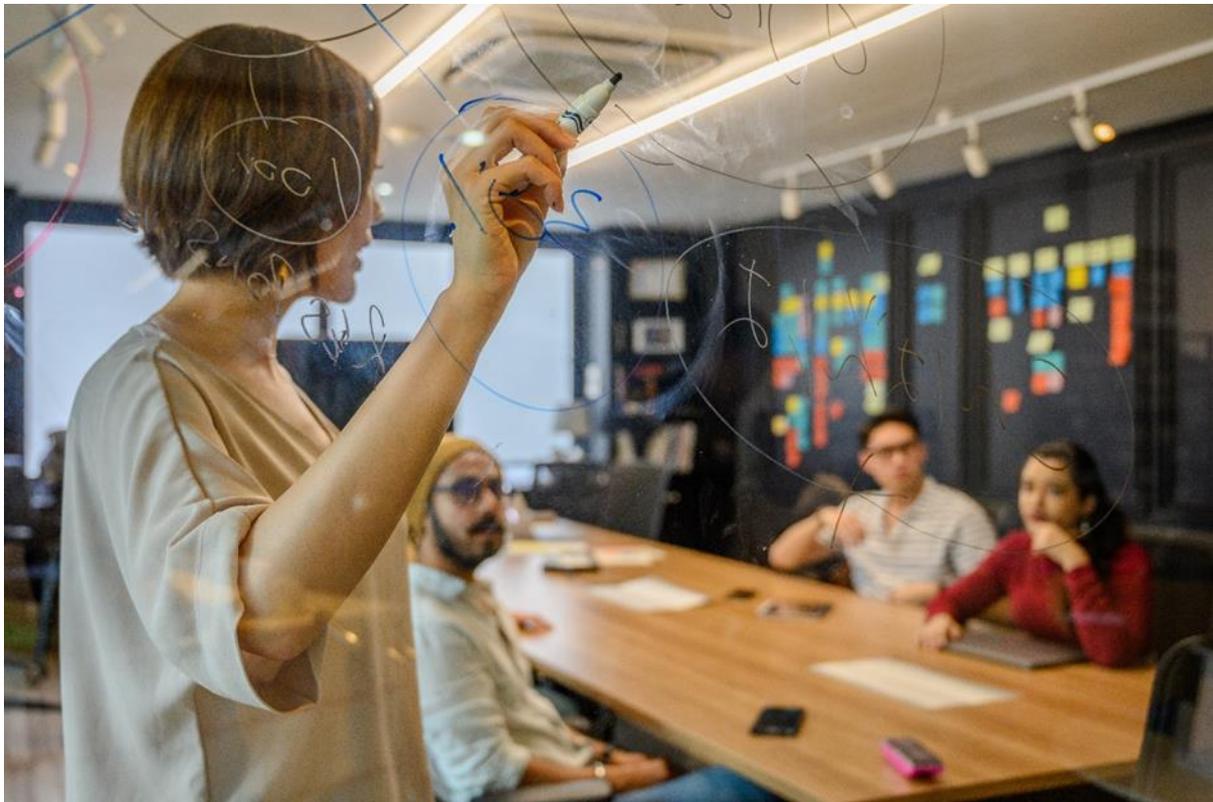
Written by 22 May 2023

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!

How high could interest rates rise?

Earlier this month the Bank of England (BOE) raised interest rates for a 12th consecutive time as the rate of rising prices remains high. The Bank rate has gone up from 4.25% to 4.5%. The BOE has been under pressure to put rates up because it has a target to keep inflation at 2%, but prices are currently rising at more than five times that level. The rate of interest is at its highest for almost 15 years.



The BOE has been increasing interest rates since December 2021 to try to control inflation, which now stands above 10%. It looks like the UK Government will miss its pledge to halve inflation by the end of the year and the BOE has warned that the pledge may not be met until 2025. The BOE decision has an immediate impact on some borrowers and savers.

So how do you go about managing your business during these turbulent times with increasing inflation, rising interest rates, and economic uncertainty? What actions should a business owner take right now?

Take some time to look at your business's strengths, weaknesses, opportunities, and threats and get a clear understanding of its position in the marketplace, the competition, the systems, the way things are done, and the improvements that could be made. Focus on what the business is to look like when it is "complete" or running profitably and successfully. You can then determine priorities – the big issues that need to be focussed on – and make a plan.

It is also a good idea to plan for a range of scenarios from "good to bad" so that you can be flexible about the direction your business should take.

Please talk to us about your plans; we can assist with cash flow planning and "what if" scenarios.

We have considerable experience in helping clients write plans, forecasting results and monitoring their success against goals. We would be delighted to help you and we also have access to a range of finance providers and can help your business succeed!

How much is my business worth?

This is a question many of our clients want answering! The truth is, it depends on a range of factors and any valuation is only useful as a guide for planning forward. The ultimate value of a business is the price a willing buyer is prepared to pay for it.

The prevailing economic climate and state of the business' sector can affect company valuation for better or worse, as can your reasons for selling. If you need a fast sale due to ill health, for instance, the value may be lower than if a sale was taking place under more favourable circumstances.

Valuing a business is a complex process and we are available to support you throughout.

So, what are the most common methods of valuing a business?

Price to earnings ratio (P/E)

The price to earnings ratio uses multiples of profit, so may be an appropriate valuation method if you own a well-established business with a good track record of profits. 'Price' refers to the company's current share price, and 'earnings' to the earnings per share (EPS). The P/E ratio indicates the business' expected growth in earnings per share in the future.

Discounted cash flow

Discounted cash flow relies on estimating future cash flows for the company, and a residual business value, and may be suited to businesses with few assets.

Entry cost

Entry cost valuation involves calculating how much it would cost to build your business to the stage that it's reached now, including start-up and recruitment costs,

marketing, and the value of assets. Any savings that could have been made should then be deducted to arrive at the valuation.

Asset valuation

The asset valuation method may be suitable if your business is well established and owns high levels of tangible assets. The Net Book Value (NBV) of assets is calculated, then adjusted to take account of external factors such as depreciation and inflation.

Valuation based on industry

Some businesses are valued based on the industry in which they operate. The retail industry is one such example, where the number of outlets is an important element for consideration. Industry 'rules of thumb' use factors specific to an industry and can provide a more accurate calculation in some cases.

Other considerations when valuing your business

Intangible assets are a key factor when valuing a business. Intellectual property, goodwill, business reputation, and even a premium business location, can all add considerable value in the eyes of potential purchasers.

Spotlighting these intangible assets also allows you to improve their value where appropriate – for example, registering ownership of a trademark or patent, building up their reputation even further, or improving the condition of your business premises.

Please talk to us about valuing your business as this can lead to a range of important considerations and actions.

Business Energy Aid Toolkit

The Business Aid Energy Toolkit provides manufacturers with access to experts and equipment, helping you make significant reductions to your energy usage in short time frames. Support is available in areas such as:

- Data-driven insights into your energy usage;
- Help to identify production planning improvements;
- Pinpointing cost-saving measures;
- Discovering opportunities to reduce your carbon footprint and work towards Net Zero; and
- Expertise from a team of specialists.

See: [Business Energy Aid Toolkit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/business-energy-aid-toolkit)

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

The Bank of England Monetary Policy Committee announced on 11 May 2023 that it would increase the Bank of England base rate to 4.5% from 4.25%. 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:

- 22 May 2023 for quarterly instalment payments, and
- 31 May 2023 for non-quarterly instalments payments.

See: [Rates and allowances: HMRC interest rates for late and early payments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/rates-and-allowances-hmrc-interest-rates-for-late-and-early-payments)

Latest HMRC strike news

Members of the Public and Commercial Services (PCS) Union working in East Kilbride and Newcastle on employer PAYE have been asked to strike from 10 May, returning on 5 June. The PCS union has announced the following strike dates for HMRC staff in employer PAYE:

- 22-26 May;
- 29-31 May; and
- 1 and 2 June.

HMRC recommends that employers use its online services to resolve their query where possible on strike days. It is unclear if HMRC will reallocate staff between helplines which could reduce service on other lines.

See: [News | Public and Commercial Services Union \(pcs.org.uk\)](https://www.pcs.org.uk/news)

AgriTech Bridge programme - 'Digitising the food supply chain.'

The AgriTech Bridge Programme has been developed as part of the government's Digital Growth Grant delivered by Eagle Labs. Partnering with Codebase, this programme aims to bring together some of the UK's leading corporate and large established businesses with promising start-ups from the UK.

The theme for the AgriTech Bridge programme is 'Digitising the food supply chain.' It is aimed at anyone within the food supply chain including growers, processors, distributors, retailers, manufacturers, packaging, or logistics.

The programme allows start-ups to build digital expertise while established businesses are introduced to new technologies, skills, and cultures to transform and accelerate innovation.

The aim is to enable strategic thinking and innovation to co-create and help realise the UK industry ambition to become a global leader in sustainable and secure food supply chains.

If you would like to get involved in the AgriTech Bridge Programme, these upcoming information sessions provide an overview of the programme and what commitment would be required from you:

Date: Tuesday 30 May 2023

Time: 10am to 11am

[Register your place](#)

Date: Wednesday 31 May 2023

Time: 3pm to 4pm

[Register your place](#)

See: [Agritech Bridge- What is it? Tickets, Tue, May 30, 2023 at 10:00 AM | Eventbrite](#)

Shopping Prices Comparison Tool

Each month, the Office for National Statistics (ONS) publishes the [latest annual inflation rate](#), which measures the change in the price of regularly purchased items (known as the basket of goods and services) compared with the same time the previous year.

Some goods and services contribute more to the overall inflation rate than others: if some items see a large increase in prices, while others stay more stable, then inflation would be driven by the changing prices in that spending category.

So, how the headline inflation rate affects your household depends on which items you tend to spend your money on. The shopping prices comparison tool has been built to help people understand why their household might have experienced inflation.

See: [Consumer price inflation, UK - Office for National Statistics](#)

Innovate UK KTP Awards 2023

Nominations are now open for this year's Innovate UK KTP Awards, celebrating the most positive impacts of Knowledge Transfer Partnerships.

This is an opportunity to showcase your project, the results and solutions achieved. You will be able to demonstrate the impact your KTP partnership has had on the business, the Knowledge Base, and the Associate in front of a variety of business leaders, academics, and innovation specialists.

This year's awards categories will include:

- Best KTP Award,

- Technical Excellence Award,
- Best Management KTP Award (NEW),
- Business Impact and Transformation Award,
- Changing the World Award,
- Future Leader Award,
- KTP Academic of the Year Award, and
- Best Knowledge Base KTP Support Team Award.

The deadline for nominations is Friday 26 May 2023.

See: [Awards – Knowledge Transfer Partnerships \(ktp-uk.org\)](https://ktp-uk.org)

Net Zero Living Digital Accelerator: round 1

UK registered businesses can apply for funding to develop digital applications to solve challenges in delivering net zero for places. Innovate UK, part of UK Research and Innovation, will invest up to £1.5 million through this competition, as part of the [Net Zero Living programme](#).

The aim of this competition is to support ambitious, early-stage digital focussed businesses in developing and delivering net zero in relation to challenges based on place. This must be done through data driven digital applications and by collaborating with potential customers and product users.

By accelerating their journey, the funders hope to create high growth businesses that will drive forwards digitalisation across the UK and globally in net zero sectors, creating jobs, growing a customer base, and delivering customer value.

Your proposal must focus on two or more net zero challenges across:

- Power,
- Heat,
- Mobility, and
- product manufacture and usage.

Your digital product must be for domestic, commercial, industrial, or local authority users, and must utilise a number of datasets relevant to place. Links to other sectors are also welcome, where relevant to the delivery of net zero. You must collaborate with at least one potential customer or product user as part of the project. Your project's total grant funding request must be between £150,000 and £300,000.

See: [Competition overview - Net Zero Living Digital Accelerator round 1 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://apply-for-innovation-funding.service.gov.uk)

Analysis for Innovators (A4I) competition: round 10

UK businesses can apply for a share of up to £3 million to resolve productivity and competitiveness issues by working with top scientists and research facilities.

Innovate UK, part of UK Research and Innovation, is investing up to £3 million in small collaborative innovation projects, including partnerships with:

- the National Physical Laboratory,
- the National Measurement Laboratory,
- the National Engineering Laboratory,
- the Science and Technology Facilities Council,
- National Institute for Biological Standards and Control,
- National Gear Metrology Lab,
- Newton Gateway to Mathematics,
- Advanced Sustainable Manufacturing Technologies, and
- Henry Royce Institute.

This competition aims to match the best UK scientists and cutting-edge facilities with businesses with complex analysis or measurement problems.

Your proposal must describe a measurement or analysis problem where you are seeking a solution to improve your business' productivity or competitiveness. You must provide an estimate of the value to your business of solving it.

If successful at this stage, you will be invited to brokerage consultations with relevant Analysis for Innovators (A4I) partners. These will focus on potential approaches to solving your problem. You will work together to propose joint projects to develop solutions and apply for the stage 2 competition to request funding.

See: [Competition overview - Analysis for Innovators \(A4I\) Round 10 – Stage 1 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://apply-for-innovation-funding.service.gov.uk)

Longer lorries to be allowed on Britain's roads

The government is changing regulations to allow longer trailers on GB roads, which it estimates will save 70,000 tonnes of carbon dioxide from being released into the atmosphere.

These longer trailers, known as longer semi-trailers (LST) measure up to 2.05 metres longer than a standard semi-trailer and can be towed by a lorry.

The move follows an 11-year trial to ensure LSTs are used safely on roads, and operators will be encouraged to put extra safety checks and training in place. The trial demonstrated that LSTs were involved in around 61% fewer personal injury collisions than conventional lorries.

Legislation was laid before the UK parliament on the 10 May 2023 to roll out the longer vehicles on roads from 31 May. The longer lorries will be able to transport consumer goods and retail products, as well as waste packaging, parcels, and pallets.

See: [UK economy boosted by £1.4 billion as longer lorries roll out on roads - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-economy-boosted-by-1.4-billion-as-longer-lorries-roll-out-on-roads)

HMRC close the VAT registration helpline

From Monday 22 May 2023, HMRC will close the VAT registration helpline – a subsidiary of the VAT helpline – which is dedicated specifically to helping customers who have a concern around their VAT registration application. Advisers from this helpline will be redeployed to spend their time processing VAT registration applications instead of answering calls through the helpline.

Over 85% of calls to the VAT registration helpline are from customers who want an update on the progress of their applications. The '[Where's my reply](#)' tool gives an expected response date. HMRC staff are spending most of their time talking to customers about their submitted applications and – as that information is already available online – they believe this time can be better used to process those applications instead.

HMRC state that applicants can expect a reply within 40 working days. Those with applications that have been submitted within 40 working days should not contact HMRC.

Those who submitted an application more than 40 working days ago, or are replying to a request for further information (VAT 5), should use the dedicated email inbox, vrs.newregistrations@hmrc.gov.uk. Applicants who have not received a response to their initial application within 40 working days, will receive a reply to their email within five working days.

Energy Summit 2023

Delivered in partnership with the Department for the Economy and the Centre for Advanced Sustainable Energy (CASE), The Northern Ireland Energy Summit will take place at the ICC, Belfast on Wednesday 21 June 2023.

The event will focus on building an informed consensus on how best to take Northern Ireland forward in meeting its renewable energy targets and net zero ambitions, whilst driving 10X economic growth across innovation, sustainability, and inclusion.

Speakers at the summit will include:

- A senior US Government Official;
- A senior Northern Ireland Government Official;

- Kersti Berge, Head of Energy, Director of Energy and Climate Change Scottish Government;
- Dr Xavier Garcia Casals, Senior Expert on Energy Transition at the International Renewable Energy Agency;
- Professor Mark Ferguson, Chair of the Board of the European Innovation Council for the European Commission, former Director General, Science Foundation Ireland; former Chief Scientific Adviser to the Government of Ireland; former founder and CEO of Renovo Ltd and Renovo Group plc; and
- Professor David Rooney, Professor Chemical Engineering, QUB and Director, CASE.

See: [Northern Ireland Energy Summit 2023 \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/news/northern-ireland-energy-summit-2023/)

Healthy Working Lives Conference 2023

Business in the Community's workplace wellbeing event allows HR professionals and operational managers to network and explore the challenges and opportunities facing their business in creating a positive and healthy workplace.

The conference will bring together expert speakers and key business representatives to discover how businesses can embed a human-centred approach into their organisation's culture.

Three breakout sessions will offer practical support to help delegates feel motivated and energised to create meaningful and sustainable changes to their wellbeing strategies.

Breakout sessions include:

- Navigating menopause in the workplace,
- Financial wellness at work, and
- Creating a culture of compassionate resilience.

The conference will be held on Thursday 8 June 2023 at Riddel Hall, Stranmillis Road, Belfast.

The cost is free.

See: [Healthy Working Lives Conference 2023 \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/news/healthy-working-lives-conference-2023/)

Going Dutch early-stage exporter programme

Going Dutch is an early-stage exporter programme designed to help Northern Ireland companies develop the necessary skills, knowledge and confidence to export beyond the Republic of Ireland and Great Britain.

The Netherlands is a good starter market for new and inexperienced exporters. Its proximity, relative ease of access, trading culture and acceptance of English as a business language make it the ideal starter market for exporting into Europe.

The programme includes one-to-one business support and mentoring, tailored market research, group workshops, in-market group visit to the Netherlands to meet with pre-qualified potential Dutch partners, follow-up assistance, and support for five further individual visits.

Going Dutch is designed for Invest NI customers who have:

- Fewer than 75 employees in the business;
- Limited or no experience selling outside of Great Britain and Republic of Ireland;
- Identified commercial reasons to explore export opportunities in the market;
- A suitable product or tradeable service that is adaptable for export; and
- Financial stability and resources to develop and maintain an export market.

See: [Going Dutch early-stage exporter programme \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

Apply to the Rural Engagement Arts Programme

Grants from £500 to £10,000 are available to deliver arts projects benefitting rural-based communities.

The Arts Council of Northern Ireland is welcoming applications to the second round of the Rural Engagement Arts Programme (REAP). The programme aims to increase access and participation in the arts in rural areas of Northern Ireland, as a way of combatting isolation and loneliness and promoting social inclusion. Arts organisations, community groups, and local authorities can apply for grants from £500 to £10,000 to deliver arts projects benefitting rural-based communities.

Groups can apply for one-off projects or for a programme of events. Applications from single organisations are permissible but should demonstrate partnership working. Consortium applications demonstrating partnership working will be prioritised. Projects do not have to be new - existing, successful programmes which meet the strategic themes of REAP, are also eligible for support.

The deadline for applications is midday, Monday 3 July 2023.

See: [Rural Engagement Arts Programme | Arts Council NI \(artscouncil-ni.org\)](https://artscouncil-ni.org)

New careless driving penalty introduced

A new fixed penalty notice of £100 and three penalty points has been introduced to help tackle careless driving in Northern Ireland.

The move by the Department for Infrastructure (DfI) is seen as an important road safety development as the new fixed penalty will be an additional enforcement tool to assist police in tackling a major cause of deaths and serious injuries on our roads.

The new fixed penalty will improve the administrative process for the existing careless driving offence by providing proportionate justice for low level careless driving offences without the need for court proceedings, saving public money and time.

Drivers who commit more serious offences will continue to be dealt with before the courts and will be subject to substantial penalties.

New arrangements introduced will also allow the Police Service of Northern Ireland to offer remedial training to careless drivers as an alternative to the fixed penalty notice. The aim is to influence the future decisions of drivers, encouraging more careful driving and improved personal responsibility. Costs associated with the course will be met by the offender as an alternative to receiving penalty points and paying the fixed penalty notice fine.

See: [New careless driving penalty introduced | Department for Infrastructure \(infrastructure-ni.gov.uk\)](https://www.infrastructure-ni.gov.uk/news/new-careless-driving-penalty-introduced)

Ambition To Grow competition

The Ambition to Grow programme is now open to applications.

Invest NI is looking for Northern Ireland's most innovative and ambitious businesses to take part in a new Ambition to Grow competition where you could receive up to £45,000 in funding, and ultimately become part of Invest Northern Ireland's client portfolio.

Invest NI will provide support to create great jobs and sell your innovative products or services outside of Northern Ireland. They are looking for businesses that:

- are ambitious, innovative businesses with the ambition to grow sales to £1 million;
- have a product or service with a strong USP to take to markets outside Northern Ireland;
- are a start-up or an established company that has not worked with Invest NI before; and
- need government support to create great jobs and to sell innovative products or services outside of Northern Ireland.

Ambition to Grow is designed specifically to help micro, small, and medium local enterprises to create jobs and grow exports.

See: [Ambition To Grow competition \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/ambition-to-grow)