

Written by 9 May 2023

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!

Creating your business's future

According to the International Monetary Fund (IMF), the UK economy is predicted to shrink for the remainder of 2023 and then grow by only 1% in 2024.

Interest rates continue to rise as pressure grows on the Bank Of England to call time on its aggressive monetary tightening campaign. There remains uncertainty in the Banking sector with First Republic becoming the third bank to be taken over by US regulators in the last two months and Asian stocks fell recently as more fears about the health of US regional banks have dented market confidence.



These events are mainly outside of our control and it's worth remembering that in a 2009 book, the notable management consultant, Peter Drucker, was quoted as saying, "You cannot predict the future, but you can create it."

So how do you go about creating your future during these turbulent times?

Start with writing a business plan. This is an essential tool for looking at your options, whether it is for raising finance or for putting your objectives into writing. In either

event, a business plan will give you some form of direction, help you set goals, and most importantly, enable you to monitor your success.

Business plans should be as clear as possible, and since brevity aids clarity, they should also be as short as possible. A useful way of achieving this without losing any important points is to stratify the plan by confining all details, where possible, to an appendix, leaving only the overall message in the body of the document. This will enable the reader to master the basic points of the plan more quickly.

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!

Recruitment tips in a changing environment

The UK employment rate was estimated at 75.8% in December 2022 to February 2023, 0.2 percentage points higher than September to November 2022. The increase in employment over the latest three-month period was driven by part-time employees and self-employed workers.

Growth in average total pay (including bonuses) was 5.9% and growth in regular pay (excluding bonuses) was 6.6% among employees in December 2022 to February 2023. In the same quarter, average regular pay growth for the private sector was 6.9%.

In January to March 2023, the estimated number of vacancies fell by 47,000 on the quarter to 1,105,000. Vacancies fell on the quarter for the ninth consecutive period and reflect uncertainty across industries, as survey respondents continue to cite economic pressures as a factor in holding back on recruitment.

If you are looking to recruit just now there are a number of actions you can take to make your business attractive to new staff. In addition to reviewing your pay and conditions to be as competitive as possible, these include:

- Tasking recruitment as a permanent process;
- Regularly asking existing staff, customers, and suppliers for introductions;
- Offering incentives for referrals;
- Making sure you are running constant online social media and local advertisements;
- Embracing flexibility in hours and location in your business;
- Introducing a “Golden Hello” and loyalty bonuses for length of service (typically one to three years);
- Advertising testimonials from existing staff;

- Using government initiatives for apprentices;
- Making your company and the job sound as attractive as possible by outlining the position to sound prestigious and challenging. These two factors are big incentives for bright potential candidates;
- Knowing that job satisfaction comes from feeling respected and having the opportunity to learn new things and excel in the face of obstacles when advertising the role; and
- Conveying your business's personality so potential employees get a feel for what it would be like to work for you;

Recruiting new employees is a lengthy process, so to stand out, "be different"! For example, some employers are now offering "Wellbeing leave" in addition to the usual holiday package.

Useful guidance on the procedures for recruitment can be seen in the ACAS guide "Recruiting staff" which can be seen here: [Recruiting staff \(acas.org.uk\)](https://www.acas.org.uk/guidance/recruiting-staff)

See: [Labour market overview, UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/labour-market-overview)

The British Business Awards 2023

Nominations are open for the SmallBusiness.co.uk 2023 British Business Awards. Celebrating its sixth year, these prestigious awards recognise, honour, and celebrate the outstanding and innovative achievements of small and medium-sized British businesses across all industries. In the wake of the pandemic, British small businesses have faced new and unprecedented challenges. That's why this year's awards are all about celebrating the resilience, creativity, and success of these businesses. The closing date to apply is 26 May 2023.

See: [British Small Business Awards | Celebrating the leaders in the small business community](https://www.smallbusiness.co.uk/awards)

Employers' Liability Insurance

Your employees may be injured at work or they, or your former employees, may become ill as a result of their work while in your employment. They might try to claim compensation from you if they believe you are responsible. The Employers' Liability (EL) (Compulsory Insurance) Act 1969 ensures that you have at least a minimum level of insurance cover against any such claims.

You may not need EL insurance if you only [employ a family member or someone who is based abroad](#).

You can be fined £2,500 every day you are not properly insured. You can also be fined £1,000 if you do not display your EL certificate or refuse to make it available to inspectors when they ask.

See: [Employers' liability insurance - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

Self-Assessment: Be alert to potential scams

Self-Assessment customers, who are starting to think about their annual tax returns for the 2022 to 2023 tax year, should guard against being targeted by fraudsters, warns HMRC.

Fraudsters target customers when they know they are more likely to be in contact with HMRC, which is why Self-Assessment customers should be extra vigilant to this activity. There is a risk they could be taken in by scam texts, emails or calls either offering a refund or demanding unpaid tax, thinking that they are genuine HMRC communications referring to their Self-Assessment return.

Some customers who have not done a Self-Assessment return previously might be tricked into clicking on links in these emails or texts and revealing personal or financial information to criminals.

Criminals claiming to be from HMRC have targeted individuals by email, text and phone with their communications ranging from offering bogus tax rebates to threatening arrest for tax evasion. Contacts like these should sound alarm bells - HMRC would never call threatening arrest.

Anyone contacted by someone claiming to be from HMRC in a way that arouses suspicion is advised to take their time and check the [scams advice](#) from HMRC.

Customers can report any suspicious activity to HMRC. They can forward suspicious texts claiming to be from HMRC to 60599 and emails to phishing@hmrc.gov.uk. Any tax scam phone calls can be reported to HMRC using their [online form](#).

Fraud and scam protection for companies

Companies House incorporate and dissolve limited companies. They register company information and make it available to the public. The links below take you to their guidance on how to protect your company from fraud and scams and how to report it:

- [Register for online filing](#)
- [Keep your authentication code safe](#)
- [Sign up to our PROOF scheme](#)
- [Use our free Follow service](#)
- [Choose the right correspondence address](#)
- [Check website addresses are genuine](#)

- [Be aware of scam emails and telephone calls](#)
- [Report fraud](#)
- [Unregistered cryptoasset businesses](#)

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

What is Property finance?

Our property finance experts specialise in arranging finance for new build, conversion and refurbishment projects for property developers and investors. Our property finance experts also arrange competitive bridging loans to 'bridge' a timing gap between a debt coming due, or the main line of credit becoming available. Our experts can also help you to purchase your business freehold with a Commercial Mortgage tailored for you.

The benefits of arranging Property Finance are:

- Access to highly competitive rates, arranged by a team of experts who will walk with you to completion and beyond, advising you every step of the way;
- Access to a full range of property finance products from a vast range of lenders; and
- Bespoke solutions tailored to you.

Our experts can advise you on a range of solutions such as Bridging Finance, Development Finance, Developer Exit Loans, Second Charge Loans, Property Investment Loans and Impaired Credit Loans. Ask us for an introduction!

HMRC launches the Advance Valuation Ruling Service for importers

HM Revenue and Customs (HMRC) has launched the Advance Valuation Ruling Service (AVRS), a new service that gives importers legal certainty that their chosen customs valuation method is correct.

When importing goods into the UK, traders must work out the value of their goods to calculate their Customs Duty and import VAT.

Traders will apply online for an Advanced Valuation Ruling where HMRC will confirm the method used to calculate the value is correct. It is legally-binding for 3 years and the trader will use this information to calculate the value of their goods on their import declaration.

See: [New service launched to make importing easier for UK traders - GOV.UK \(www.gov.uk\)](#)

New law on Tipping passes

Withholding tips from staff becomes unlawful as the “Tipping” Bill achieves Royal Assent. More than 2 million workers will have their tips protected and be able to view an employer’s tipping record. An estimated £200 million a year will go back into the pockets of staff by retaining tips that could have otherwise been deducted. The measures are expected to come into force in 2024, following a consultation and secondary legislation.

See: [Millions to take home more cash as new law on Tipping passes - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/millions-to-take-home-more-cash-as-new-law-on-tipping-passes)

FCA proposes to simplify rules to help encourage companies to list in the UK

The Financial Conduct Authority (FCA) proposes to reform and streamline the listing rules in the UK to help attract a wider range of companies, encourage competition, and improve choice for investors.

At present, businesses wanting to list shares on any of the Financial Times Stock Exchange Group (FTSE) indexes - which include some of the largest world-wide firms - have to hold a premium listing and are required to comply with the UK's highest standards of regulation and pay substantial costs.

The FCA has said it wants to make the rules companies must follow to be allowed to list their shares in the UK, "more effective, easier to understand and more competitive".

While the UK has been Europe's biggest financial hub for many years, listings in the UK have reduced by 40% since 2008, according to The UK Listing Review.

The decision by a firm to list is based on many more factors than regulation alone, such as taxation and the availability of capital.

However, the listing regime in the UK has been seen by some issuers and advisers as too complicated and onerous. This is why the FCA is proposing significant changes to the listing rulebook, including replacing its existing ‘standard’ and ‘premium’ listing segments with a single category for equity shares in commercial companies.

Under the proposals, requirements would be focussed on transparency for investors to support decision making and sponsor oversight at the listing gateway to ensure companies can meet the FCA’s standards.

A single equity category would remove eligibility requirements that can deter early-stage companies, be more permissive on dual class share structures, and remove mandatory shareholder votes on transactions such as acquisitions to reduce frictions to companies pursuing their business strategies.

The proposed changes aim to provide a simpler and more accessible UK listing regime for companies, improving the attractiveness of listing in the UK and providing a wider range of investment opportunities for investors.

The FCA wants an open discussion about the change to risk appetite that a listing regime based on disclosure and engagement, rather than regulatory rules, would require.

See: [FCA proposes to simplify rules to help encourage companies to list in the UK | FCA](#)

Protect your workers from violence and aggression

Violence and aggression at work can have a serious impact on your workers physical and mental health.

The Health and Safety Executive (HSE) has refreshed its guidance on violence at work to help you protect your workers. It has been updated to:

- simplify the navigation to help you easily find the information you need;
- remove outdated content and replace it with up-to-date practical guidance; and
- remind you that HSE's definition of violence includes aggression, such as verbal abuse or threats – this can be face to face, online or over the phone.

The guidance will help you assess the risks, put the right controls in place to protect workers and report incidents and learn from them.

See: [Violence and aggression at work - HSE](#)

Managing drug and alcohol misuse in the workplace

Understanding the signs of drug and alcohol misuse (or abuse) will help you manage health and safety risk in your workplace. The Health and Safety Executive website has step-by-step guidance to help you manage drug and alcohol misuse at work.

This includes advice on how to develop a drugs and alcohol policy and what you can do to support your employees.

See: [Managing drug and alcohol misuse at work - Overview - HSE](#)

New Product Development Programme - Argyll and Bute, Highlands, Moray, Orkney Islands, Outer Hebrides, Shetland Islands

The New Product Development Programme is aimed at established businesses that have a new product or service they wish to bring to market.

The programme consists of 5 sessions spread over 12 weeks. It will take businesses through all the stages of bringing a new product or service to market.

This programme will host 6 cohorts over a 2.5-year period. The first cohort will start on Tuesday 23 May 2023.

The deadline to apply for the first cohort is Tuesday 16 May 2023. Applications will be accepted on a first come, first served basis.

See: [Product development programme | HIE](#)

West Dunbartonshire Council Business Start-Up Grant

West Dunbartonshire Council offers a Start-Up Grant of up to £500 for small to medium-sized businesses (SMEs) that are just starting to trade in the local area.

The council have their own expert advisers to guide you through the whole process from start to finish.

See: [Business Start Up Grant | West Dunbartonshire Council \(west-dunbarton.gov.uk\)](#)

West Dunbartonshire Council Recovery and Growth Grant

West Dunbartonshire Council offers a grant to help small or medium-sized businesses that have been trading for at least 12 months' pay for business recovery or growth projects that will safeguard or create local jobs. The grant will cover up to 50% of your project costs, to a maximum of £10,000.

See: [Recovery & Growth Grant | West Dunbartonshire Council \(west-dunbarton.gov.uk\)](#)

Fife Start-Up Grant

Fife Council's Start-Up Grant can provide individuals who intend to start a business in Fife with up to £500 towards the costs involved in starting to trade. Eligible costs include things such as equipment, stock and certification.

The Start-Up Grant opened for applications on 1 April 2023. The deadline to apply is 31 January 2025.

Grants are offered at the discretion of a Business Gateway adviser, so you must be working with Business Gateway Fife to be considered.

The grant is paid retrospectively. This means that after their application is approved, applicants will need to cover the project costs upfront, then submit a claim with evidence of the money spent to receive their grant. You cannot claim for expenses incurred before your application was approved.

Applications are completed by a Business Gateway adviser, then checked, signed and submitted by the business that's applying.

The Start-Up Grant is delivered by Business Gateway Fife on behalf of Fife Council and is fully funded by the UK Government through the UK Shared Prosperity Fund.

See: [Fife Start-Up Grant \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Grants for Fife businesses

Fife Council's SME Development Grant provides financial support to help Fife-based small and medium-sized enterprises (SMEs) to develop and grow.

The grant opened for applications on 1 April 2023. The deadline to apply is 31 January 2025.

The fund provides a non-repayable grant of up to £2,850, or 100% of the eligible costs (whichever is lower), to cover costs in 6 eligible areas:

- trade development,
- workforce upskilling,
- transition to net zero,
- research and development (R&D) and innovation support,
- agriculture business diversification, and
- support for studies.

Trade development

The trade development funding provides grants to:

- assist businesses with the cost of exhibiting at trade shows in the UK or Europe,
- assist businesses with the cost of participating in overseas trade missions, and
- support other costs associated with accessing new markets, such as exporting.

Workforce upskilling

The funding for workforce upskilling provides grants to help companies improve the productivity and profitability of their business by training and upskilling existing employees.

Transition to net zero

The transition to net zero funding helps businesses move towards achieving net zero emissions through a range of measures, including premises improvements, waste reduction or reuse, and the creation of green jobs.

Research and development (R&D) and innovation support

The R&D and innovation funding is primarily for micro-SMEs that are unable to access the R&D and innovation support provided by Scottish Enterprise.

Agriculture business diversification

The agriculture business diversification funding is to help agriculture businesses to develop agritourism and food and drink-focused proposals, as well as to support the adoption of new approaches and technologies, including vertical farming.

Support for studies

The support for studies funding can help businesses that are required to undertake a study – for example, on ecological impact or noise assessment – as part of a project to develop new or existing premises.

The SME Development Grant is delivered by Business Gateway Fife on behalf of Fife Council and is fully funded by the UK Government through the UK Shared Prosperity Fund.

Applications are completed by a Business Gateway adviser, then checked, signed and submitted by the business that's applying. Therefore, you must be working with Business Gateway Fife to be considered.

See: [Grants for Fife businesses \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Climate Action for Business programme

Business in the Community (BITC) and Be the Business are hosting a series of free workshops that offer climate action advice and training for small and medium-sized business owners in Scotland. You will learn how to develop a climate action plan for your business, measure your carbon footprint, and reduce your emissions.

Designed specifically for business leaders, the programme includes:

- 4 x 2-hour long interactive workshops in June 2023,
- support from peers and mentors, and
- information and resources.

There are limited places available, so booking is essential. You will be invited to attend the workshops by BITC once you have registered your interest in the programme.

See: [Climate Action for Business - Business in the Community \(bitc.org.uk\)](https://bitc.org.uk)