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!

Flexible working will become the "default" for employees

Last week Amazon announced that, for warehouse workers, it is to offer parents term-time only contracts. The new contracts would guarantee those who care for school-age children, including guardians, six weeks of holiday in the summer and two weeks over the Easter and Christmas breaks. Employees will be entitled to all full-time benefits.

Following a recent UK Government consultation, flexible working will become the default for millions of employees who will be able to request flexible working from day one of their employment.



Flexible working doesn't just mean a combination of working from home and in the office – it can mean employees making use of job-sharing, flexitime, and working compressed, annualised, or staggered hours.

The new measures will give employees greater access to flexibility over where, when, and how they work, and the government hopes this will lead to happier, more productive staff. Flexible working has been found to help employees balance their work and home life, especially supporting those who have commitments or responsibilities such as caring for children or vulnerable people.

The consultation on flexible working has ended and the government response to the consultation confirms intention to introduce changes to the right to request flexible working legislation. This right currently supports all employees with 26 weeks continuous service to make applications to change their work location, working hours, and/or working pattern.

The response states that the government will take forward the following measures to:

- make the right to request flexible working a day one right;
- introduce a new requirement for employees to consult with the employee when they intend to reject their flexible working request;
- allow 2 statutory requests in any 12-month period (rather than the current one);
- require a decision period of 2 months in respect of a statutory flexible working request (rather than the current three); and
- remove the existing requirement that the employee must explain what effect, if any, the change applied for would have on the employer and how that effect might be dealt with.

The response also commits to:

- developing guidance to raise awareness and understanding of how to make and administer temporary requests for flexible working; and
- launching a call for evidence to better understand how informal flexible working operates in practice.

It also includes a summary of the responses received from individuals and stakeholders.

See: Making flexible working the default - GOV.UK (www.gov.uk)

Remaining resilient with high inflation

The British Retail Consortium (BRC), the trade association for UK retail businesses, research shows that shop price annual inflation accelerated to 9.0% at the start of May, up slightly from 8.8% in April. This is above the 3-month average rate of 8.9%. This brings shop price growth to a new high, although it is now beginning to fall.

Source: Food inflation eased in May (brc.org.uk)

The Office for National Statistics (ONS) April report shows that food and non-alcoholic beverage prices saw a monthly increase of 1.4% compared with a rise of 1.5% in the equivalent time period last year and an annual rise of 19.1% in April 2023 compared with an annual rise of 19.2% in March 2023. ONS modelling suggests that the annual rate for this category in April 2023 is the second highest seen for over 45 years, when the rate in August 1977 was estimated to be 21.9%.

Source: Consumer price inflation, UK - Office for National Statistics

Will this pattern continue?

Conditions are likely to remain challenging for many businesses and individuals alike. So now is a good time to focus on resilience.

Resilience is the process of adapting well in the face of adversity, trauma, tragedy, threats, or significant sources of stress — such as business, workplace, and financial stressors. It means "bouncing back" from difficult experiences.

So, what actions can you take now to remain resilient?

Here are a few suggestions to help you think about your business:

- Review your Budgets and set realistic and achievable targets for the rest of 2023.
- Be careful with 'can't pay' customers and get rid of 'won't pay' customers.
- Review your debtors list and chase up overdue invoices (if appropriate).
- Offer existing debtors extended payment terms and/or discounts (if applicable).
- Make sure your terms of business contain explicit payment terms.
- Assign responsibility to one individual for invoicing and collections.
- Put extra effort into making sure your relationships with your better customers are solid.
- Review your list of products and services and eliminate those that are unprofitable or not core products/services.

The important thing to remember in uncertain economic times is that the vast majority of people will not lose their jobs, the majority of businesses won't fail, and eventually, we'll recover. (NatWest Bank, Key economic predictions for 2023).

Talk to us about your business, we have many clients who have changed the way they do things and some really innovative stories to share with you!

Are you claiming a tax refund for all your work expenses?

HM Revenue & Customs (HMRC) is reminding employed workers that they can claim a refund on work-related expenses directly through GOV.UK.

Workers can claim for work-related expenses including:

- uniforms and work clothing;
- buying work-related equipment;
- professional fees, union memberships, and subscriptions; and

 using their own vehicle for work travel (excluding journeys from home to work).

See: Claim tax relief for your job expenses: Overview - GOV.UK (www.gov.uk)

Seafood sector jobs to be added to the Shortage Occupation List

From the summer, share fishermen, trawler skippers, and experienced deckhands on large fishing vessels will gain from lower fees and salary requirements. This is to ensure that the fishing sector can continue to access the people it needs at a reduced cost.

Inclusion on the Short Occupation List (SOL) means jobs qualify at a 20% lower salary threshold (£20,960 instead of £26,200). Applicants also pay lower fees (£479 for a 3-year visa instead of £625). The broader English language requirements of the Skilled Worker route also apply to the SOL.

To be included on the Shortage Occupation List, a role must not only be skilled and in shortage, it must also be sensible to include it on the list in the context of alternative solutions to tackling the shortage, other than through immigration. It is not the purpose of the immigration system to provide a source of workers at pay and conditions which are not attractive to resident workers.

The changes are set to be implemented ahead of the summer fishing season.

See: <u>Seafood sector jobs to be added to the Shortage Occupation List - GOV.UK</u> (www.gov.uk)

Health and Safety for new and temporary workers

With summer arriving and the subsequent increase in seasonal work, workers are as likely to have an accident in the first six months at a workplace as during the whole of the rest of their working life.

The extra risk arises due to:

- lack of experience of working in a new industry or workplace;
- lack of familiarity with the job and the work environment;
- reluctance to raise concerns (or not knowing how to); and
- eagerness to impress workmates and managers.

This means workers new to a site:

- may not recognise hazards as a potential source of danger;
- may not understand 'obvious' rules for use of equipment;
- may be unfamiliar with site layout especially where site hazards may change from day to day; or

may ignore warning signs and rules, or cut corners.

The Health and Safety Executive (HSE) have produced guidance on protecting new workers.

See: <u>HSE: Diversity in the workplace - New to the job</u>

Are you ready for the summer weather?

Thinking ahead and preparing for what the weather may bring can make a real difference. There are some simple steps you can take to stay safe and healthy at this time of year – from preparing your home or business to taking care of yourself, your family, and neighbours.

The Met Office provide up-to-date, expert seasonal advice from carefully selected organisations to help you prepare for and respond to the weather, to stay safe and protect yourself, your homes, and businesses.

See: WeatherReady - Met Office

National Minimum Wage 2023 rate reminder for employers: Summer Staff

All workers are legally entitled to be paid the National Minimum Wage (NMW). This includes temporary seasonal staff, who often work short-term contracts in bars, hotels, shops, and warehouses over the summer.

The National Minimum Wage hourly rates from 1 April 2023 are:

- £10.42 age 23 or over (National Living Wage),
- £10.18 age 21 to 22,
- £7.49 age 18 to 20,
- £5.28 age under 18, and
- £5.28 apprentice.

If you need help on paying temporary staff please contact us, alternatively you can contact ACAS via their helpline if you need employment law or workplace advice.

ACAS is an independent public body that receives funding from the government. They provide free and impartial advice to employers, employees, and their representatives on:

- employment rights,
- best practice and policies, and
- resolving workplace conflict.

See: Contact us | Acas

HMRC issues scam warning to tax credits claimants

Tax credit claimants should be on their guard against fraudsters, as HM Revenue and Customs (HMRC) warns of the latest tactics being employed by scammers.

HMRC has issued a new alert, providing details of a number of new scams reported that aim to trick people into handing over money or personal information. Criminals use deadlines – like the tax credits renewal deadline on 31 July – to target their victims and the department is warning around 1.5 million tax credits customers to be alert to scams that mimic government communications to make them appear genuine.

Typical scam examples include:

- emails or texts claiming an individual's details aren't up to date and that they risk losing out on payments that are due to them;
- emails or texts claiming that a direct debit payment hasn't 'gone through';
- phone calls threatening arrest if people don't immediately pay fake tax owed;
- claims that the victim's national insurance number has been used in fraud;
 and
- emails or texts offering spurious tax rebates or bogus grants or support.

See: <u>HMRC issues scam warning to tax credits customers - GOV.UK (www.gov.uk)</u>

New workers' rights for parents and carers

Parents and carers are to be given new protections at work, covering leave entitlement and redundancy rules as three Government backed Private Members Bills received royal assent last week.

This wave of new workers' rights has been welcomed by charities and parties across parliament.

When in force, these new laws aim to increase workforce participation, protect vulnerable workers, and level the playing field by ensuring unscrupulous businesses don't have a competitive advantage and delivering on our priority to grow the economy.

Parents and carers will benefit from the following new protections once in force:

- Up to 12 weeks of paid neonatal care leave for employed parents whose children are admitted to neonatal care, so that they can spend more time with their baby at what is a hugely stressful time. This is in addition to other leave and pay entitlements such as maternity and paternity.
- Redundancy protection for pregnant women and new parents with the extension of existing redundancy protections to cover pregnancy and a period of time after parents return to work.

 A new entitlement for unpaid carers to a week of flexible unpaid leave a year, for employees who are caring for a dependant with a long-term care need.
 This will enable carers to better balance their caring and work responsibilities, supporting them to remain in employment.

See: Workers' rights wins for parents and carers - GOV.UK (www.gov.uk)

Abandoning retained EU red tape on wine announced

The government has stated that wine producers and importers will be freed from unnecessary red tape due to proposed changes to retained EU laws on the production and marketing of wine, providing a boost to the wine industry.

The changes will allow wine makers the freedom to pick from a wider range of vines, including more disease resistant varieties, and overturn the restrictions which currently prevent the wine industry from producing new blends. Bottlers will also be able to turn imported wine into sparkling wine.

Changes will also include removing certain packaging requirements – such as ending the mandatory requirement that certain sparkling wines must have foil caps and mushroom stoppers.

Domestic wine makers will also be free to show a variety and vintage of any wine without having to go through the previously EU-mandated applications processes.

The package of reforms follows engagement with the sector and are made possible by powers under the Retained EU Law Bill which are being used to remove any constraints from the economy whilst ensuring standards are not compromised.

See: <u>Scrapping retained EU red tape on wine to unlock £180 million - GOV.UK (www.gov.uk)</u>

June webinars to provide the tourism sector with support and advice

The free webinars, hosted by Tourism Northern Ireland, are aimed at businesses in the tourism and hospitality sectors, equipping them with valuable resources, toolkits and support.

This webinar series is part of the Tourism Enterprise Development (TED) Programme, which prioritises areas such as sustainable practices, digital capabilities, operations, and sales and marketing, all with a focus on people.

Each session starts at 12 noon and will be around 40 minutes long, including a Q&A opportunity for attendees.

NI Embrace a Giant Spirit - Experience Development Update
Wed 7 Jun 23

Dive into the Content Pool

Wed 14 Jun 23

Navigating TourismNI.com

Wed 21 Jun 23

See: <u>June webinars to provide the tourism sector with support and advice</u> (nibusinessinfo.co.uk)

Belfast Business Idea Award 2023

Belfast City Council has launched the Belfast Business Idea Award 2023. The competition is designed to unearth, recognise, and help to fast track the best business ideas in Belfast.

It is the strength of the idea that will be assessed rather than the achievements of the venture so far, which means that those who have yet to set up a business have as much chance of winning as those who have already started trading.

See: Belfast Business Idea Award 2023 (nibusinessinfo.co.uk)

Invest NI - Reduce waste and save energy

Invest NI are now offering Sustainability Reports for businesses which are an holistic assessment/understanding of a business's environmental performance across a number of areas, such as Raw Materials, Energy, Carbon, Packaging, Biodiversity, and Waste.

This support will enable you to measure, monitor and report on your environmental impacts, demonstrating transparency and accountability, which often leads to consumer confidence and brand loyalty.

This support is available to all Northern Ireland businesses with an annual energy and resource spend of more than £30k. This could include the combined value of your heating, electricity, water, waste disposal, or raw material billings.

See: Reduce waste and save energy | Invest Northern Ireland (investni.com)

Invest NI – Ambition to grow

The Ambition to Grow programme looks for Northern Ireland's most innovative and ambitious businesses to take part in a competition to receive up to £45,000 in funding. Successful applicants will also become part of Invest Northern Ireland's client portfolio.

Designed specifically to help micro, small, and medium local enterprises, the competition will support businesses to create great jobs and sell innovative products or services outside Northern Ireland

Funding will be awarded to applicants on a competitive basis. Applications will be assessed and scored, with the highest scoring companies in each region awarded funding following a successful validation interview.

See: Ambition To Grow | Invest Northern Ireland (investni.com)

Small Settlement Business Support Grant Scheme - Armagh, Banbridge and Craigavon businesses

Armagh, Banbridge and Craigavon Council has secured funding in collaboration with the Department for Communities (DFC) and the Department of Agriculture Environment and Rural Affairs (DAERA) to deliver a Commercial Facade Improvement scheme and meanwhile use the grant scheme as part of the COVID – 19 Recovery Small Settlement Regeneration Programme.

This is a capital grant scheme, with two tiers aimed at supporting businesses located within Small Settlements with a population between 1000 and 4999.

Tier 1 – Small Settlement Facade Grant aims to support businesses to improve their facade, while creating a more welcoming environment to existing/new customers while also enhancing the wider benefits for the small settlement. The maximum grant value to applicants under this scheme will be £3,000. If you are VAT registered, your grant will be paid on the net amount.

Tier 2 – Small Settlement Meanwhile Space Grant aims to help businesses transform underused space. The grant will be used to improve and reconfigure the interior of the building so it can be brought into use or better utilised, thus creating more opportunities for start-ups/growth of existing businesses and, overall, benefit the local economy. The maximum grant value to applicants under this scheme will be £20,000. If you are VAT registered, your grant will be paid on the net amount.

Both schemes can provide funding of up to 80% towards eligible costs up to a maximum of £20,000 per property for a Meanwhile Use Project and up to £3,000 for a Facade Grant. Applications must provide a minimum of 20% match funding contribution towards the project.

See: <u>Small Settlements - Armagh City, Banbridge and Craigavon Borough Council</u> (<u>armaghbanbridgecraigavon.gov.uk</u>)

Mental health in the workplace

The Health and Safety Executive for Northern Ireland is running a series of free work-related stress webinars aimed at line managers, those working in HR, health and safety, and occupational health.

See: <u>Learn how to manage and approach mental health in the workplace</u> (nibusinessinfo.co.uk)

Access to finance conference 2023

The British Business Bank, InterTradeIreland, and Invest Northern Ireland will host the fourth Access to Finance Conference on Tuesday 20 June 2023.

The objectives are to help attendees:

- Gain awareness and understanding of the different options available so that they can get the right finance at the right time;
- Learn from local established businesses Re-kkur and Gray's Clip about their first-hand experience of raising debt and equity finance;
- Listen to expert panel discussions exploring the range of debt and equity options;
- Gain insights into the benefits of good governance, making the most of their network and the value that a Non-Executive Director "NED" can bring to your business; and
- Learn how to take action to use external finance to make their business growth plans a reality.

The date is 20 June 2023, 08:30 – 14:00 at the Guildhall, Derry-Londonderry and the conference is free to attend.

See: Funding Growth: Explore Your Options Tickets, Tue 20 Jun 2023 at 08:30 | Eventbrite

Northern Ireland (Interim Arrangements) Act 2023

The Northern Ireland (Interim Arrangements) Act, which received Royal Assent last week, also allows the UK Government to explore, with the Northern Ireland Civil Service, options for budget sustainability.

Current civil servant decision-making arrangements expired on 5 June. This Act continues these powers until an Executive is formed, and in the absence of ministers enables preparatory work to take place around options for budget sustainability, including further revenue raising. Further, the Act requires that NI departmental accounts are laid in the House of Commons to increase transparency and scrutiny around how public money is spent.

Through this Act, the UK Government is acting to ensure the management of public services and funds can continue.

See: Northern Ireland (Interim Arrangements) Act 2023 prevents governance gap in Executive's absence - GOV.UK (www.gov.uk)