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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!

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 \(www.gov.uk\)](https://www.gov.uk/government/consultations/making-flexible-working-the-default)

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 \(brc.org.uk\)](https://www.brc.org.uk/news/food-inflation-eased-in-may)

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 \(www.gov.uk\)](https://www.gov.uk/guidance/claim-tax-relief-for-your-job-expenses)

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: [Seafood sector jobs to be added to the Shortage Occupation List - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/seafood-sector-jobs-to-be-added-to-the-shortage-occupation-list)

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: [HSE: Diversity in the workplace - New to the job](#)

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: [HMRC issues scam warning to tax credits customers - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/hmrc-issues-scams-warning-to-tax-credits-customers)

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 \(www.gov.uk\)](https://www.gov.uk/government/news/workers-rights-wins-for-parents-and-carers)

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: [Scrapping retained EU red tape on wine to unlock £180 million - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/scrapping-retained-eu-red-tape-on-wine-to-unlock-180-million)

Renfrewshire New Business Start-Up Grant

The New Business Start-Up Grant can provide up to 50% match funding to support small and medium-sized businesses that are starting up in Renfrewshire.

The New Business Start-Up Grant is aimed at individuals with a viable business idea who need funding support to start trading.

The grant will cover up to 50% of your eligible costs, with a maximum contribution of £300 - unless your business is moving into commercial premises, in which case the grant amount can be up to £1,000.

The grant can be used for essential business start-up costs, such as commercial rent, stock, IT equipment, website development, business equipment, or the adaptation of business premises.

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

You must not have started the project 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 receive your grant payment.

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

Circular Textiles Fund

The fund supports the development of circular supply chains and helps businesses achieve net zero carbon emissions across the textiles industry in Scotland, from fashion to upholstery, industry, and technology. Zero Waste Scotland is administering the fund, which is backed by the Scottish Government, to help reduce the environmental impact of textiles.

The fund can help businesses in Scotland take part in Scotland's circular economy by creating their own innovative circular projects. This means resources will be valued and kept in circulation for as long as possible. Collaboration between 2 or more organisations is actively encouraged.

See: [Circular Textiles Fund | Zero Waste Scotland](#)

Perth and Kinross Council Beyond Scotland Market Development Grant

Perth and Kinross Council offers local businesses grants of up to £3,000 for projects that aim to establish new markets outside of Scotland, either across the UK or internationally.

The grant will not be paid out immediately after approval – instead, you will receive payment after you make your purchases and submit receipts or invoices. This means you must be able to afford to cover the project's full cost upfront until you are refunded.

See: [Business support and funding - Perth & Kinross Council \(pkc.gov.uk\)](https://pkc.gov.uk)

Export finance and risk support

It is important to understand your export finance options and how best to manage financial risk if you want to be successful at international trade. Scottish Enterprise provides free export finance support to Scottish companies through an export finance adviser.

The adviser will offer guidance on:

- how to understand and manage export-related financial risk;
- export finance;

- how to identify the finance options available;
- how to review key risks, such as payment methods, payment protection and cash flow;
- payment options; and
- risk review and how to mitigate risk, including foreign exchange exposure, shipping terms and incoterms.

Your adviser will provide direct support by email or telephone. In some cases, a few sessions may be required in order to provide the relevant guidance.

See: [Help with export finance and risk support \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Green Network for Businesses

The Green Network for Businesses helps companies in Scotland to develop more sustainable business practices. You can join the network or read their online case studies to find out how other businesses have taken positive steps to reduce their environmental impact.

The network offers an online database of around 300 case studies that describe how businesses that are members of the network have taken positive steps to reduce their environmental impact.

The database is searchable by location, sector, or type of measure, with information on a wide variety of sustainability projects.

All members of the network have made improvements in one or more of the following areas:

- reducing energy consumption;
- reducing waste;
- installing renewable technologies such as heating and solar PV;
- using low carbon transportation, such as electric vehicles; and
- running staff engagement campaigns to get their employees to think about their environmental impact.

Many members are happy to be contacted to discuss their achievements, and some even allow you to visit their business.

See: [Green Network for Businesses \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

eBike Business Loan

The ebike Business Loan supports organisations that want to reduce the carbon impact of their transport and travel arrangements with new, more efficient alternatives. Interest-free loans of up to £30,000 are available to help with the cost of purchase.

The loan covers:

- new pedal-assisted electric bikes - up to £3,000 per bike,
- new cargo bikes - up to £6,000 per bike, and
- new adapted cycles.

Please note that if your organisation is replacing a car or van with a cargo or ecargo bike, there is no maximum limit per bike, as long as the cost is within the maximum loan amount of £30,000.

The loans are distributed by Energy Saving Trust and funded by Transport Scotland (an agency of the Scottish Government).

See: [Interest-free ebike business loan - Energy Saving Trust](#)