

Written by 17 July 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!

Why Customer Service Matters

According to the Institute of Customer Service's (ICS) most recent UK Customer Satisfaction Index more companies have declined in service than improved. In 2021 and 2022, customer satisfaction with complaint handling showed a steady improvement but this has now stalled and other areas of customer satisfaction that are predictive of business performance, such as measures of a company's emotional connection with its customers, their customer ethos, and ethics, have also declined.



ICS chief executive Joanna Causon comments, "We are seeing a greater polarisation in customer satisfaction performance, with some companies pulling away from the pack and others alas falling considerably behind. Overall, this is not good for the UK's standing and we need to address this decline to ensure we can really transform our trading position as a country as well as lift the spirits of customers and employees alike".

She adds "We know customer attitudes and behaviours have changed in the last six months and will continue to evolve: not only are people thinking more carefully about spending due to the cost-of living crisis, but reducing their level of spending, shopping around more to find the best deals, and making fewer impulse or large

purchases; there are longer term changes in behaviour that embody trends towards more mindful consumption and environmental sustainability”.

In today’s economy, keeping customers happy and getting them to remain loyal is now essential. Happy and successful customers are the lifeblood of any business. They are what transforms your growth from a funnel into a flywheel. So, what are they key areas to focus on?

While we know there are some brilliant examples of exceptional above and beyond customer care from our clients, there is always room for improvement. The demands of the last few years have certainly impacted customer care and resources have been stretched, but it’s important now to look ahead, put remedial steps in place, and ensure that the customer really does feel like they are important!

Here are a few reminders to help you keep your customers feeling happy and buying from your business and not your competitors:

Recognise that people buy from people

If you rely on telephone sales then one key component of customer care is to offer a name to establish a real and personal connection. Revisit your call handling practices and ensure that attention to detail is applied to every stage, including the very first greeting.

See it through

Unreturned calls and poor follow-up practices cost business – not just in terms of lost revenue but also reputation. Have a system for ensuring all calls to your business are followed up. Nothing upsets customers more than being ignored. Make sure all calls are followed up promptly – its lost business if they are not!

Make your shop window transact

Websites are the shop window for many businesses and marketing teams spend considerable time and money driving prospective clients to them. So, when web traffic turns into enquiries, it’s important it’s met with a timely response. If you have online enquiries, make sure you follow them up. Consistent enquiry handling is key.

Test all of your ‘get in touch’ forms on your website and your general enquiries email. Do they work as they should, are they passing enquiries to the right place and is there room for improvement?

Embrace live chat

Many smaller businesses do not offer any form of webchat and of those that do, responsiveness is hit and miss. A recent survey showed 50% of chats were responded to within 30 seconds yet the other 50% weren’t answered at all!

Customers expect communication with their suppliers to be easy, almost instant, and, increasingly, 24/7 so it’s important to offer a variety of channels. Live chat has the potential to deliver the quickest wins when it comes to customer experience. Managing it in-house it can be time-onerous and inconsistent, or conversations

aren't recorded centrally, so consider an outsourced service. There are many companies who offer this service, just search "Outsourced live chat".

See: [Why Customer Service Matters * Institute of Customer Service](#)

How to attract new talent

It's up to employers how they recruit for their organisation. There are no set processes that are required by law. But employers must follow a fair process and certain laws that apply throughout the whole recruitment process, including discrimination and data protection. Employers should also follow good practice and any policies their organisation might have on recruitment and equality, diversity, and inclusion.

Recruiting new employees is administratively cumbersome and economic conditions mean there are fewer applicants, so now is the time to be a little "different"!

For example, some employers are now offering "Wellbeing leave" in addition to the usual holiday package. If you want to recruit more you have to get serious about the process and be on it 24/7, 365!

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;
- 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;

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/Recruiting-staff)

New information hub launched to help limited company directors make the right decisions at the right time

The Insolvency Service has launched a new online information hub to support company directors. The hub hosts guidance and information on a range of business themes commonly faced by companies and aims to help company directors to push their business forward by being more aware of potential pitfalls.

It is specifically designed for directors of micro, small, and medium-size limited companies, although it will also be useful to others.

Directors of limited companies, unlike sole traders, must comply with certain statutory obligations. These can range from hairdressers and builders with their own companies to directors of mid-sized companies in the IT sector, for example.

Examples of the kind of advice available on the information hub include:

- understanding company finances, director duties and obligations;
- how to recognise early warning signs of financial distress; and
- how and when limited company debts can become personal debts.

The new information hub was developed after Insolvency Service research found that company directors wanted a single online hub to host clear and concise guidance, with signposts to more detailed guidance and support where needed. As well as direct research with company directors, the project also worked closely with teams in HMRC and Companies House, business finance specialists at Royal Bank of Scotland, and business groups including The Directors Helpline, the Institute for Turnaround (IFT), the Institute for Directors (IoD), and the Federation of Small Business (FSB) amongst others.

See: [Director information hub - GOV.UK \(www.gov.uk\)](https://www.gov.uk/director-information-hub)

Midlife MOT website

A new online Midlife MOT has been launched to help older workers with financial planning, health guidance, and to assess what their skills mean for their careers and futures.

The free Midlife MOT website encourages people to review their skills and help to break down barriers to the labour market. It brings together trusted services, help such as a jobseeker toolkit, and charity resources. It will allow people to identify job opportunities across the UK as well as better preparing them for later life and their retirement.

The website signposts to key organisations and charities, including the NHS, Mind, MoneyHelper, Citizens Advice, and the Department for Work and Pension's (DWP) [find a job portal](#).

As part of this, MoneyHelper has created a [financial tool](#) which will provide a personalised report to help people understand what to prioritise to improve their financial position, from now through to retirement.

The Midlife MOT was originally launched in Jobcentres across England with work coaches working with claimants to encourage planning for later life and boosting their confidence. Following the initial success, the Government has looked at ways of reaching more people with the service and making it accessible for everyone – right across the UK.

See: [Check the status of your work, health and money - Midlife MOT \(jobhelp.campaign.gov.uk\)](#)

Latest HMRC tax webinars

Listed below are some HMRC webinars that will give the self-employed an understanding of key taxes that affect them and also help employers with payroll. The webinars are free and last around an hour.

Webinars for the self-employed:

[Capital Allowances for the self-employed](#)

Tue 18 Jul at 9:45am

[Record keeping for the self-employed](#)

Tue 18 Jul at 11:45am

[How to apply the VAT reverse charge for construction services](#)

Tue 18 Jul at 1:45pm

[Residential property income for individuals - an introduction](#)

Fri 21 Jul at 11:45am

[Residential property income for individuals - expenses, and deductions](#)

Fri 21 Jul at 1:45pm

[Company directors - payroll and you](#)

Mon 31 Jul at 1:45pm

[Capital allowances and vehicles](#)

Thu 21 Sep at 11:45am

Employer webinars:

[Expenses and benefits for your employees - trivial benefits](#)

Wed 19 Jul at 1:45pm

Thu 10 Aug at 11:45am

[Getting payroll information right](#)

Tue 1 Aug at 11:45am

[Taxing employees' benefits and expenses through your payroll](#)

Fri 11 Aug at 1:45pm

[Employer filing obligations](#)

Wed 16 Aug at 1:45pm

[Expenses and benefits for your employees - if your employees have more than one workplace](#)

Thu 31 Aug at 11:45am

[Expenses and benefits for your employees - company cars, vans, and fuel](#)

Thu 31 Aug at 9:45am

[Expenses and benefits for your employees – phones, internet, and homeworking](#)

Mon 11 Sep at 1:45pm

[Expenses and benefits for your employees - travel](#)

Tue 12 Sep at 11:45am

Deadline for topping up NI contributions extended again to 5 April 2025

With all of the changes to personal pensions in the Spring Budget, maximising the State Pension entitlement should not be overlooked. The full rate of new State Pension increased to £203.85 per week (£10,600 pa) from 6 April 2023; a 10.1% increase over the 2022/23 rate, as a result of the “triple lock” being restored.

At least 10 qualifying years are required to get a UK State Pension, with full State Pension entitlement at 35 qualifying years. Individuals should log into their Government Gateway account to check their contribution record as they may be entitled to credit for missing years, for example if they were on maternity leave or a carer. They can also check how many more qualifying years they need for a full State Pension, and if necessary, make national insurance (NI) contributions for missing years.

Normally it is only possible to make voluntary NI contributions for the past 6 tax years, to top up any missing or partial years. The Government announced an extended deadline to allow taxpayers to make NI contributions in respect of missing years going back to April 2006. This opportunity was originally scheduled to end on 5 April 2023 and was then extended to 31 July 2023. The deadline has now been extended to 5 April 2025.

Class 3 voluntary NI contributions made before 5 April 2025 will be at the Class 3 voluntary NI rates for the 2022/23 tax year of £15.85 per week, or £824.20 for each full year.

See: [Deadline for voluntary National Insurance contributions extended to April 2025 - GOV.UK \(www.gov.uk\)](#)

Postage Stamps – use them by 31 July!

The Royal Mail have added barcodes to their regular stamps. After 31 July 2023, regular stamps without a barcode will no longer be valid. You can either use up these stamps before this deadline or swap them for the new barcoded ones.



The stamps that are changing are the stamps that will be very familiar to you. They feature the profile of Her Late Majesty The Queen on a plain coloured background.

Your non-barcoded stamps can be exchanged for the new barcoded version through the Stamp Swap Out scheme.

See: [Know where your old stamps are? | Royal Mail Group Ltd](#)

Working from home and the £6 per week allowance

During the COVID pandemic the government relaxed the conditions to enable those working from home to be paid £6 a week tax free by their employer, or, where that was not paid by the employer, they could claim relief for £6 a week against their employment income for a tax refund from HMRC. Those relaxed rules applied for 2020/21 and 2021/22. Many employers and employees may not be aware that from 6 April 2022 the rules reverted to the strict statutory position. Employees can claim tax relief if they have to work from home under a homeworking agreement, for example because:

- their job requires them to live far away from the office,
- their employer does not have an office, or
- the office is closed every Friday and employees are required to work from home that day.

Tax relief cannot be claimed if the employee chooses to work from home.

See: [Claim tax relief for your job expenses: Working from home - GOV.UK \(www.gov.uk\)](#)

Solar PV fast track assessment

If you are interested in exploring the benefits that solar photovoltaics (PV) could offer your business and are a Scottish small or medium-sized enterprise (SME), Business Energy Scotland advisors can provide you with a free and impartial solar PV assessment.

Each assessment is based on the advisers' vast experience, the latest Photovoltaic Geographical Information Systems, and data from thousands of existing PV installations in the UK.

This fast-track assessment focusses on solar PV only. If you are also interested in battery storage or other energy saving and renewable technologies, you should request a comprehensive energy efficiency assessment instead - although please note, there is a high demand for energy efficiency assessments at this time.

See: [Solar PV fast track assessment · Business Energy Scotland](#)

SME Loan Scheme with cashback while funds last

The SME Loan Scheme offers small and medium-sized enterprises based in Scotland unsecured, interest-free loans of up to £100,000 for renewable or energy efficiency projects. You may be able to get up to £30,000 as cashback. This is on a first come basis. The loan funding is provided by the Scottish Government.

The funding is available to help you pay for energy and carbon-saving upgrades in your business.

This could include:

- heating, ventilation, and air conditioning upgrades;
- renewable technologies such as replacing a boiler to one with an air source heat pump;
- improving insulation, draught-proofing, double or secondary glazing; and
- installing LED lighting.

Cashback - while funds last:

Through the scheme, SMEs installing eligible equipment could receive a 75% cashback grant up to £10,000 for renewable heat measures and a 75% cashback grant for energy efficiency measures up to £20,000.

See: [SME Loan Scheme · Business Energy Scotland](#)

Rural Enterprise Directory

The Rural Enterprise Directory Scotland (REDS) promotes businesses, social enterprises and the self-employed in Scotland's rural and island economies. REDS

aims to make every small rural and island business visible and to stimulate community, collaboration, and trade with the huge variety of Scottish rural micro-enterprises.

REDS promotes the values and diversity of Scotland's rural economy and will support the long-term prosperity of these businesses.

Participating businesses are included in the online directory and map.

See: [Join REDS — REDS](#)