

Written by 18 September 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!

The Autumn Statement is scheduled for 22 November 2023

The Chancellor of the Exchequer, Jeremy Hunt, has confirmed that the Autumn Statement will be on 22 November 2023. The Autumn Statement can affect tax policy, benefits, and much more. The Chancellor will make his announcement to Parliament, setting out the Government's plans on all matters fiscal and economic. Interestingly, this could be the Chancellor's last statement before the next General Election, depending on the time frame that the government chooses.



Included in the announcement was the news that 'The Office for Budget Responsibility (OBR) have been commissioned to prepare an economic and fiscal forecast to be presented to Parliament alongside his Autumn Statement.'

Rumours have already started about what the Chancellor will – and won't – announce, so what are some of the likely changes?

Mr Hunt is already playing down the prospect of income tax cuts and he insists inflation needs to come down further from its rate of 6.4%, he has recently stated that to put money into people's pockets quickly, the fastest thing would be to deliver

on the pledge to halve inflation. Indeed, some news outlets are predicting a tax rise in a number of other areas.

He has lately talked of a four-point growth plan focusing on enterprise, education, employment, and investment opportunities.

We could see some promises around the cost of living, with energy bills still relatively high and winter approaching.

Pensions and benefits are always a big focus of any financial statement, though there are not many rumours about potential changes. We predict the 'triple lock' on pensions will stay in place for now and pensioners can expect around an 8% increase to their state pension. Rumours flourish that this may change after the next general election. There may be other changes to pensions reliefs and benefits, and we will keep you up to date as and when we hear any news.

The government is currently analysing responses to several tax consultations that closed in the summer. These include reform of the Construction Industry Scheme (CIS), expanding the cash basis for unincorporated businesses, and merging the two Research & Development (R&D) schemes for limited companies into one. It's reasonable to expect the Chancellor to make announcements in these areas.

Alongside any announcements to tax policy, the Chancellor will be looking at budgets for schools, the police, hospitals, and the military. Expect to see some changes to these.

Whatever happens on the 22 November, we can be sure that tax rules and business regulations are progressively becoming more complicated. Getting expert help is essential. Please contact us about planning for change. We can provide a full tax review which will help identify the marginal tax traps waiting for you – and help you to avoid them.

Do you know of anyone starting a business?

Then ask us about our comprehensive guide to the financial, tax, and accounting considerations of starting a business, "The New Business Kit", which we offer free to start ups or those who have recently made the jump into business ownership.

New Business Kit 2023/24

The Financial, Tax and Accounting Considerations of Starting a New Business

With this handy reference guide to starting a business, you should be able to successfully handle many of the problems encountered in starting and running a business.

Always remember to seek professional advice in areas that you are not sure about.
The benefits will far outweigh the cost. Good luck!



The guide helps start-ups think about:

- Selecting a legal entity;
- Registering with the tax authorities;
- Accounting and bookkeeping;
- Value Added Tax;
- Payroll taxes and pensions;
- Income and corporation tax;
- Cash planning and forecasting;
- Insurance;
- Selecting professional advisers; and
- Digital accounting systems.

In addition, there is a section of useful names, addresses, and telephone numbers.
Just ask – it is free!

Latest HMRC tax webinars for the self-employed

Listed below are a number of live HMRC webinars that will give the self-employed an understanding of key taxes that affect them. The webinars are free and last around an hour.

Webinars for the self-employed:

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

Wed 20 Sep at 11:45am

[Capital allowances and vehicles](#)

Thu 21 Sep at 11:45am

Wed 22 Nov at 11:45am

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

Fri 22 Sep at 1:45pm

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

Tue 26 Sep at 9:45am

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

Wed 27 Sep at 9:45am

[Business expenses for the self-employed](#)

Thu 28 Sep at 11:45am

[Car expenses for the self-employed](#)

Thu 28 Sep at 1:45pm

[Construction Industry Scheme for contractors](#)

Thu 9 Nov at 9:45am

[Construction Industry Scheme for subcontractors](#)

Mon 13 Nov at 11:45am

UK rejoins Horizon Europe

UK scientists now have access to the world's largest research collaboration programme, Horizon Europe, which was lost as a result of Brexit.

From 7 September, UK researchers can apply for grants and bid to take part in projects under the Horizon programme, with certainty that the UK will be participating as a fully associated member for the remaining life of the programme to 2027.

Once adopted, the UK will also be able to join the governance of EU programmes – which the UK has been excluded from over the last three years – ensuring we can shape collaboration taking place next year. UK researchers will also be able to lead consortia in the next work programme of Horizon Europe projects.

The UK will also associate to Copernicus, the European Earth Observation programme. This will provide the UK's earth observation sector with access to

unique data – valuable to helping with early flood and fire warnings, for example – and with the ability to bid for contracts, which they haven't been able to access for three years since Brexit.

See: [UK joins Horizon Europe under a new bespoke deal - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-joins-horizon-europe-under-a-new-bespoke-deal)

ICO consultation on the draft biometric data guidance

The Information Commissioner's Office (ICO) has produced guidance on biometric data and biometric technologies.



The draft guidance looks at the definition of biometric data under the [UK General Data Protection Regulation \(UK GDPR\)](#) and how data protection law applies when using biometric recognition systems.

Biometric recognition systems are tools used by businesses to verify customers' identity in the digital world. For example, facial recognition technology, voice recognition, fingerprint scanning, etc.

The ICO's draft guidance covers:

- what biometric data is;
- when it is considered special category data;
- its use in biometric recognition systems; and
- the data protection requirements you need to comply with.

This guidance is for organisations that use or are considering using biometric recognition systems. It is also for vendors of these systems. The aim of the guide is

to help businesses and organisations understand the law and the ICO's recommendations for good practice.

See: [Guidance on biometric data | ICO](#)

National Manufacturing Day 2023

National Manufacturing Day is on Thursday 28 September 2023. Manufacturers throughout the UK will once again be opening their doors to members of the public who will be invited into factories and sites for a behind-the-scenes look at how Manufacturers' facilities work, as part of this UK-wide Open House.



Local communities will have the chance to see the potential careers and jobs on offer within the wonderfully diverse manufacturing sector, as employers engage with all age groups - from school leavers, graduates, people looking to reskill, and the local residents.

For Make UK and Manufacturers, this is an opportunity to showcase the diversity of a truly fascinating sector, the range of highly skilled jobs on offer, and the amazing opportunities for reskilling and career development within manufacturing in the UK.

Join the ever-growing number of employers who have pledged to open their doors on National Manufacturing Day and help to grow the awareness of manufacturing and the fantastic careers which can be made for the next generation.

See: [Home | NMD 2023 \(nationalmanufacturingday.org\)](#)

AI Safety Summit

The AI Safety Summit will take place on the 1st and 2nd November at Bletchley Park.

The summit will bring together key countries, as well as leading technology organisations, academia, and civil society to inform rapid national and international action at the frontier of Artificial Intelligence (AI) development.

The summit will focus on risks created or significantly exacerbated by the most powerful AI systems, particularly those associated with the potentially dangerous capabilities of these systems. For example, this would include the proliferation of access to information which could undermine biosecurity. The summit will also focus

on how safe AI can be used for public good and to improve people's lives – from lifesaving medical technology to safer transport.

The summit will draw on a range of perspectives both prior to and at the event itself to inform these discussions. The UK government has stated that it looks forward to working closely with global partners on these issues to make frontier AI safe, and to ensure nations and citizens globally can realise its benefits, now and in the future. As part of an iterative and consultative process, the UK is now sharing the five objectives which will be progressed. These build upon initial stakeholder consultation and evidence-gathering and will frame the discussion at the summit:

- a shared understanding of the risks posed by frontier AI and the need for action;
- a forward process for international collaboration on frontier AI safety, including how best to support national and international frameworks;
- appropriate measures which individual organisations should take to increase frontier AI safety;
- areas for potential collaboration on AI safety research, including evaluating model capabilities and the development of new standards to support governance; and
- showcase how ensuring the safe development of AI will enable AI to be used for good globally.

Accelerating AI investment, deployment and capabilities represents enormous opportunities for productivity and public good. The emergence of models with increasingly general capabilities, and step changes in accessibility and application, have created the prospect of up to \$7 trillion in growth over the next 10 years and significantly faster drug discovery.

However, without appropriate guardrails, this technology also poses significant risks in ways that do not respect national boundaries. The need to address these risks, including at an international level, is increasingly urgent.

Individual countries, international organisations, businesses, academia, and civil society are already taking forward critical work and driving international collaboration on AI including at the UN, Organization for Economic Co-operation and Development (OECD), Global Partnership on Artificial Intelligence (GPAI), Council of Europe, G7, G20, and standard development organisations. The summit will build on these important initiatives by agreeing practical next steps to address risks from frontier AI. This will include further discussions on how to operationalise risk-mitigation measures at frontier AI organisations, assessment of the most important areas for international collaboration to support safe frontier AI, and a roadmap for longer-term action.

See: [UK government sets out AI Safety Summit ambitions - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-government-sets-out-ai-safety-summit-ambitions)

Circular Economy Business Support Service

This service helps businesses based in Scotland to develop work that will help increase the growth of the circular economy. Businesses from all sectors are eligible.



The service is designed to help companies explore circular ways of doing business. It will support organisations that are seeking to develop or implement new business models, technologies, practices, products or services that use circular economy principles.

Benefits of a circular economy model can include resource efficiencies, improved profitability, higher quality products, an increased customer base, and alternative supply chains for your business.

Zero Waste Scotland's support areas include circular economy business models based around sharing resources, modular design, reuse and repair, remanufacturing, and reprocessing.

This bespoke, one-to-one consultancy service can provide support with:

- getting started with circular economy,
- circular business innovation and ideation,
- circular guidance, advice and signposting,
- stakeholder engagement,
- business plan reviews,
- networking,
- identifying funding opportunities,
- communications and marketing, and
- implementation.

See: [Circular economy business support | Zero Waste Scotland](#)

Venture Fund

The Scottish Venture Fund invests in early-stage businesses with high growth potential that are seeking funding to develop new products, services, business models, or markets.

You'll need to get an offer of funding from a private sector investor before you can apply to this fund to fill the gap in your investment package.

Once you have an investor, you can approach Scottish Enterprise with details of the deal. They'll work with both new private sector investors and ones they already know.

You'll need to provide:

- details of your private sector funding, including sources and terms;
- the amount you need from the Scottish Venture Fund;
- a detailed business plan with key financial information, including at least a 3-year forecast and historic information; and
- details of what the funding will be used for.

Scottish Enterprise will then review the potential economic benefits to Scotland and fully assess the investment opportunity. They'll propose terms for their investment and carry out due diligence.

Once investment is agreed, Scottish Enterprise's portfolio management team will work with your management team and the private sector investors to maximise the outcomes of the investment for everyone involved and the Scottish economy.

See: [Scottish Venture Fund \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Co-Investment Fund

The Scottish Co-Investment Fund (SCF) from Scottish Enterprise provides match-funding for Scottish start-up, early-stage or growing companies that are seeking investment alongside accredited co-investment partners.

The fund is designed to address a finance gap and support your growth plans.

Funding is available in amounts from £100,000 up to £2 million, as part of a total deal size that typically ranges from £200,000 up to £10 million.

You'll need to secure funding from one of Scottish Enterprise's accredited co-investment partners before you apply for the fund. This partner will carry out due diligence, then present the investment proposition to Scottish Enterprise with details of the deal size, timing, and structure.

Once investment is agreed, Scottish Enterprise's portfolio management team will work with your management team and co-investment partner to maximise the outcomes of the investment for everyone involved and the Scottish economy.

See: [Scottish Co-Investment Fund \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Enterprise Ecosystem Fund

The Scottish Enterprise Ecosystem Fund is open to organisations that support Scottish entrepreneurs and start-up activity or enterprise education.

Grants are available for ideas that fill gaps and deliver new, innovative, and inclusive entrepreneurship support activities across Scotland and internationally.

Grants of between £10,000 and £50,000 are available. In exceptional circumstances, a limited number of larger awards may be available for proposals that demonstrate clear, strategic economic importance and impact.

All activity must be completed, and funding must be spent, by 31 March 2024.

The fund does not provide direct funding for individual companies to grow their businesses. It is designed to strengthen the infrastructure, resources, and support activities that are available to help the start-up community.

Applicants will be asked to write a proposal that explains how they will launch a new support idea or meaningfully improve existing support to increase the benefit to start-ups.

The deadline for proposals is 1pm on Monday 25 September 2023.

See: [The Ecosystem Fund - Scottish Enterprise \(scottish-enterprise.com\)](https://www.scottish-enterprise.com)

Innovation Argyll and Bute fund

This fund offers grants to businesses and social enterprises in Argyll and Bute for innovation and research and development projects.

The grants will cover up to 100% of your eligible costs, up to a maximum of £5,000. If your costs are higher than this, the grant can fund up to 50% of your eligible costs, up to a maximum of £10,000.

Priority will be given to projects that contribute towards productivity and lowering carbon emissions - for example, the production of low carbon goods or developing environmental services and climate resilience.

The funding can be used for items and activities such as:

- prototype development;
- desk and lab-based research with suppliers or customer base;
- compliance testing;
- equipment and consumables needed for the activities to be delivered during the project;
- the cost of consultant or technical expert time;
- costs relating to intellectual property (IP) matters;

- the development of your business model;
- the costs of collaboration with suppliers, competitors, and customers;
- IP protection advice and support costs; and
- legal or other fees associated with contracts to protect and exploit IP and know-how.

The deadline to submit an expression of interest is 30 September 2024.

See: [Innovation Argyll and Bute fund \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

Graduate Placement Programme Argyll and Bute

This programme allows small to medium-sized enterprises and social enterprises in Argyll and Bute to take on a graduate for a 12-month project. Highlands and Islands Enterprise (HIE) will fund up to 50% of their salary, for salaries between £21,000 and £28,000.

Placements related to innovation, net zero, and science, technology, engineering, and mathematics (STEM) will be given priority.

Each applicant will only receive funding for one graduate placement.

The programme can help if there is an aspect of your business that would be more efficient if you brought in new skills, fresh thinking, or additional resources, or if you have a project role in mind but are struggling to find the time or skills within your current workforce.

You are eligible if you:

- are a small or medium sized-enterprise, as defined in sections 382 and 456 of the Companies Act 2006, or a social enterprise;
- are based in the Argyll and Bute area; and
- meet HIE's fair work conditions for grant support - you can read about this on the HIE website.

See: [Graduate Placement Argyll and Bute | HIE](#)

Leading Manufacturing Excellence workshop with Toyota

This workshop will discuss the Toyota Production System (TPS), which is Toyota's methodology for achieving high operational performance and is widely admired throughout the world. This approach can help your business become more competitive and efficient by reducing cost, waste and effort.

The programme is run by Scottish Enterprise's Scottish Manufacturing Advisory Service (SMAS) and will take place over 1.5 days on 3 and 4 October 2023 at Toyota's Burnaston site.

There will also be 2 networking dinners during the visit. The Tuesday evening dinner will include group leaders and coaches from Toyota.

Four weeks after the workshop, participants will also be offered a one-on-one reflection session with a SMAS practitioner to discuss individual opportunities. A group session to share learning with other participants will also be arranged after 8 weeks. These sessions are optional, and you can discuss exact timings during the workshop.

Places on the programme are limited, so you'll be asked to complete a short application with your company details and why you wish to attend.

Your company should also be engaged or willing to engage with Scottish Enterprise, Highlands and Islands Enterprise, South of Scotland Enterprise, or SMAS.

Applications must be submitted by 20 September 2023.

See: [Leading Manufacturing Excellence workshop with Toyota \(findbusinesssupport.gov.scot\)](#)