

Written by 9 October 2023

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!

This UK Government is the biggest tax-raising parliament since records began

The Institute for Fiscal Studies (IFS) has stated that this has been the biggest tax-raising parliament since records began, pushing UK tax revenues to historically high levels. They comment “At the time of the last general election, UK tax revenues amounted to around 33% of national income. By the time of the next election in 2024, on current forecasts, taxes will amount to around 37% of national income – a level not sustained in the post-war period. Compared with a world in which taxes had stayed at 33% of national income, the UK government will be raising upwards of £100 billion more in tax revenues next year. This is equivalent to around £3,500 more per household, though of course the tax rise will not be shared equally.



The government may decide to announce tax cuts in the run-up to the next election. But there is no world in which this parliament – or indeed the period since Rishi Sunak became Prime Minister – turns out to be anything other than a tax-raising one. In fact, it is currently on track to be the biggest tax-increasing parliament since comparable records began.

The UK government is currently raising more in tax revenue, as a percentage of national income, than at any time since the 1940s. This is, in no small part, due to a raft of tax-raising measures announced over the past few years. Notable examples include the big increase in the main rate of corporation tax from 19% to 25%, the energy profits levy, and freezes to various income tax and National Insurance thresholds. Economic developments mean that some of these measures will now raise considerably more than originally planned or intended. That is [particularly true of freezes](#) to income tax allowances (which would otherwise have risen in line with inflation).

So are there any tax Planning opportunities ahead of the new tax year?

The new tax year starts 6 April 2024, so you have six months to consider your planning options. Once we pass this date the majority of the tax planning options for Income Tax and Capital Gains Tax purposes will cease unless actioned.

Do you fall into any of these categories?

- You have or are thinking about a change in your personal status (single, married, separating, joining or dissolving a civil partnership).
- You are thinking about selling a capital asset, such as shares or a property.
- You or your child's other parent claims Child Benefit and the income of either parent is likely to exceed £50,000 for the first time during tax year 2023-24.
- Your annual income is approaching or above £100,000.
- You have not yet topped up your pension contributions for tax year 2023-24.
- You are self-employed with a 31 March 2024 year-end.
- You are thinking about the purchase of equipment or vehicles.
- You are the director and/or shareholder of a limited company and have not yet considered voting dividends or bonuses for 2023-24.

If you do, we can help you discuss your options ahead of the April 2024 deadline.

The above list is not comprehensive, and we specialise in helping clients with all taxes including PAYE, NIC, VAT, Corporation, Capital Gains, Income and Inheritance tax. Please contact us now!

See: [This will be the biggest tax-raising parliament on record | Institute for Fiscal Studies \(ifs.org.uk\)](#)

Millions Heading for Retirement Without a Financial Plan

Millions of over-55s in the UK are at risk of encountering financial difficulties in their retirement, new research has revealed.

One of the UK's leading at-retirement advisers commissioned an independent survey of 2,000 UK adults, finding that less than half (46%) of respondents currently have a

financial plan in place for their retirement – with this figure only rising to 47% for those aged 55 and above.

When it comes to retirement savings, just 51% of UK adults know how much is in their pensions – again, there is only a slight increase (to 56%) among those aged 55 and above.

The research also showed that less than a third (32%) of over-55s are confident they will retire with enough money to achieve their desired lifestyle.

Research has also shown that only 16% of over-55s regularly use the services of a wealth manager or independent financial adviser (IFA), while just 19% have spoken with an IFA in the past 12 months to help them understand how to adapt their pension plans to the current economic climate.

Do you own a business?

The ultimate aim of every serious business person is to build a company that has value, so that it can be sold or transferred, allowing the entrepreneur to exit gracefully and profitably.

Recently, we have been helping a number of our entrepreneur clients develop exit strategies. There are many issues to consider:

- When do you want to retire?
- Can the business be sold to your employees?
- Is a trade sale more likely?
- Are there children involved?
- How much is the business worth?
- What needs to be done to enhance the value of the business?
- How long will it take?
- Do you want/need to stay on after sale or transfer?
- What are the tax consequences?

We have a tried and tested methodology to address these issues and to help you prepare your business for sale, find potential buyers and help you negotiate to get the maximum price a buyer feels your business is worth.

If you would like to discuss your personal exit plans we would be happy to do so with you — please call us!

Useful HMRC webinars on expenses and benefits

There is a wide range of expenses and benefits received by employees – including directors.

If you would like more information – or maybe just a refresher – on how to deal with such payments and the effects on tax and National Insurance, HMRC have some useful webinars to support you.

Expenses and benefits for your employees – if your employees have more than one workplace

Find out about:

- employee travel to different types of workplace,
- geographical locations,
- the 24-month rule, and
- the 40% test.

See: [Registration \(gotowebinar.com\)](https://www.gotowebinar.com)

Expenses and benefits for your employees – travel

This webinar covers reimbursing employees undertaking travel on behalf of the employer, including the tax treatment of:

- travel and subsistence payments to employees;
- mileage payments for employees using their own vehicle;
- benchmark and bespoke scale rates; and
- records and reporting requirements.

See: [Registration \(gotowebinar.com\)](https://www.gotowebinar.com)

Expenses and benefits for your employees – company cars, vans and fuel

If your employees have private use of a company vehicle, HMRC will cover:

- how to use the online calculator to work out the amount to report for payrolling or on the P11D;
- fuel made available for private use; and
- essential record keeping.

The first part of the webinar will cover company cars, followed by company vans.

See: [Registration \(gotowebinar.com\)](https://www.gotowebinar.com)

UK government announces more legislation to tackle late payments

The UK government has announced tougher measures to tackle the issue of late payments to small businesses. These new measures will be included in the upcoming Prompt Payment & Cash Flow Review, due to be published shortly and will improve delivery and enforcement of policies, enabling more small businesses to get paid on time.

New measures to be announced in the review will include:

- Extending the Reporting on Payment Practices and Performance Regulations 2017. Following consultation, Government will take forward legislation to extend payment performance reporting obligations. Also included will be new metrics for reporting, including a value metric, so businesses and commentators can see the value of invoices, including invoices paid late, and a disputed invoices metric. Government will also introduce reporting on retention payments for businesses in the construction sector.
- Providing greater advice to small businesses on negotiating payment terms that better suit them, and on how going digital can help them get paid quicker and manage their cash flow.
- Broadening the powers of the Small Business Commissioner: Introducing broader responsibilities, enabling the Commissioner to undertake investigations and publish reports where necessary on the basis of anonymous information and intelligence. This will require primary legislation, so will be subject to the legislative timetable.

See: [Government takes action to back small businesses and tackle late payments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-takes-action-to-back-small-businesses-and-tackle-late-payments)

1 in 4 Employers Have Seen an Increase in Staff Sickness

A new survey from Acas has found that one in four employers have seen an increase in staff being off sick compared to a year ago. Acas commissioned YouGov to ask employers at the end of August if they had seen any changes to the number of employees being off sick compared to 12 months ago. The poll found that:

- 26% of employers had seen an increase in sickness absence;
- Almost 1 in ten (9%) had seen a decrease;
- Over half (59%) said that the number of staff being off sick had roughly stayed the same; and
- 6% didn't know or were not sure.

Acas advice is that businesses that effectively address sickness can improve staff morale and wellbeing, boost productivity, reduce absence levels as well as save money. Steps that can help to reduce sickness absence include:

- Having an absence policy that is clear on what is expected of managers and their staff if they need time off work;
- Create a culture at work where staff feel supported and comfortable raising problems that they trust will be taken seriously; and
- Deal with the causes of absence such as work-related stress or workers struggling to balance work and caring responsibilities.

Acas advises that a good work-life balance can lead to lower levels of sickness absence. To help staff, employers should:

- Encourage staff to speak up if they feel they're under too much pressure at work;
- Train managers to spot signs of a poor work-life balance;
- Offer flexible working where possible;
- Encourage breaks from work, including during the day and making sure employees take holidays;
- Regularly review workloads; and
- Lead by example – if managers and senior leaders have a good work-life balance, this will create a culture for employees to follow.

See: [Reducing sickness absence: Recording and reducing sickness absence - Acas](#)

Digital Innovation Fund opens for applications

The Made Smarter Innovation - Smart Manufacturing Data Hub (SMDH) is now accepting applications for funded projects that will support manufacturing small and medium-sized businesses (SMEs) on their smart manufacturing journey.



The fund aims to support the development of concepts into a market-ready solution for deployment and dissemination to SMEs.

There are three different funding opportunities based on the needs of the company:

- [Lighthouses](#) - aims to develop already proven digital products and processes into readily accessible solutions which meet the needs of manufacturing SMEs. Grant funding of up to £315,000 is available per project.
- [Virtual Testbeds](#) - aims to provide financial support and opportunities to bring pre-existing testbeds to the SMDH community and enable SMEs to utilise them. Grant funding of up to £100,000 is available per project.
- [Rapid Demonstrators](#) - aims to support SMEs with sensor installation, data analysis or similar to enable levelling-up the opportunities for SMEs to exceed and expand. Grant funding of up to £50,000 per project is available.

The fund is open to any UK-based industrial or professional sector organisation which can provide skills, support or solutions for manufacturing SMEs.

The deadline for applications is 31 October 2023.

See: [Apply for Digital Innovation Funding \(smdh.uk\)](#)

IPO Transformation: Second consultation

The UK Intellectual Property Office (IPO) is seeking views on a package of changes to improve their digital services

The [IPO's Transformation programme](#) is designed to modernise and improve the IPO's services. By the end of 2025, it aims to replace the IPO's existing processes with a digital system for all registered IP rights (patents, trademarks and designs).

In 2022, the IPO ran a [first public consultation](#), which mainly focused on changes related the launch of the new digital patents service in 2024. The [government response](#) to that consultation was published on 1 August 2023. This will inform some of the potential legal and practice changes to enable transformation and the build of the service.

A second consultation is now necessary to inform and support the next phase of the programme, which is chiefly concerned with trademarks, designs and IPO tribunal services.

See: [IPO Transformation: Second consultation \(nibusinessinfo.co.uk\)](#)

Content Fund for high potential games studios

The Department for Culture, Media and Sport (DCMS) has announced £5 million for the UK Games Fund as part of the Creative Industries Sector Vision, a joint plan between Government and industry to drive growth, build talent and develop skills across the creative sectors.

The Content Fund is offering £50,000 to £150,000 commercial games-for-entertainment content grants. The aim of the funding is to support a mix of existing and/or new employees, alongside a lesser proportion of contracted staff.

Applicant companies must be UK registered SMEs with PAYE employees engaged in games development work in the UK and have a prototype in place.

Overall project costs must be at least double the requested grant, and the funding must make a demonstrable difference in terms of unlocking additional resources, new relationships, platform or audience access.

There is a rolling deadline for this programme, however the application portal may be closed periodically for ten to fourteen days whilst batches of applications are reviewed, re-opening as soon as possible.

There are also fixed allocations of funding to administer within different financial years so early applications are encouraged, in particular for financial year 2023/24.

See: [Home - Content Fund \(ukgamesfund.com\)](https://ukgamesfund.com)

LRA employer webinars available as recordings

The LRA has made a number of their webinars available as recordings so employers in Northern Ireland can watch them at a time that suits their schedule. The current webinar topics available as recordings include a wide range of employment topics to help employers effectively manage their staff. These include:

- Maternity leave and pay,
- Pregnancy at work,
- Flexible working,
- Staff retention,
- Discipline and grievance,
- Managing sickness absence,
- Hybrid working,
- Parental Bereavement Leave and Pay,
- Managing poor performance,
- Good practice in recruitment and selection,
- Difficult conversations,
- Dignity at work,
- Redundancy,
- Conducting employment investigations,
- Discipline and dismissal,
- Variation of contract,
- Essentials of employment law and the role of the LRA, and
- Supporting mental health in the workplace.

See: [LRA employer webinars available as recordings \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

Conflict in the workplace and the cost to your business

A Labour Relations Agency (LRA) commissioned report examines the cost of workplace conflict to Northern Ireland employers.

Workplace conflict and impact on employers

Workplace conflict has a negative impact on organisational performance and the working experiences of those involved. Research commissioned by the LRA on workplace conflict in Northern Ireland suggests that disputes take up valuable time and erode organisational culture.

These challenges have arguably become more acute in the wake of the COVID-19 pandemic with pressure on recruitment, retention, engagement, and productivity.

Estimating the financial cost of workplace conflict

However, leaders and policymakers may underestimate the strategic importance of managing conflict at work. Conflict management is often unseen, taking place in the shadows and behind closed doors. Until recently, the lack of visibility has been exacerbated by a lack of robust data. This analysis of the costs of workplace conflict in Northern Ireland finds that 37% of workers experience conflict each year at a cost of £851 million.

[Download the report on Estimating the Costs of Workplace Conflict in Northern Ireland](#)

To accompany this report, the LRA also produced a podcast to discuss the cost of workplace conflict for employers in Northern Ireland.

[Access the LRA's cost of workplace conflict podcast](#)

See: [Conflict in the workplace and the cost to your business \(nibusinessinfo.co.uk\)](https://www.nibusinessinfo.co.uk)

NI Apprenticeship Awards 2024

The Northern Ireland Apprenticeship Awards recognise apprentices, their mentors, employers, and training organisations who have demonstrated exceptional progress as well as personal achievement and commitment.

There are seven award categories for 2024 including:

- Apprentice Award (Levels 2-3);
- Higher Level Apprentice Award (Level 4+);
- Large Employer in partnership with their Training Provider Award (employers with 250 employees and over);
- Small to Medium Enterprise in partnership with their Training Provider Award (employers with fewer than 250 employees);
- Mentor Award;

- Diversity and Inclusion Award; and
- Public Sector Apprentice Award.

Apprentices, employers, and training providers are encouraged to enter the awards.

The deadline for applications is midday on Friday 27 October 2023.

See: [Northern Ireland Apprenticeship Awards | Department for the Economy \(economy-ni.gov.uk\)](https://economy-ni.gov.uk)

Haulage and logistics health and safety checks to increase

The Health and Safety Executive for Northern Ireland (HSENI) Major Hazards and Transport Team (MHT) is set to increase the number of inspections of companies working in the haulage and logistics sectors across Northern Ireland.

The visits form part of the 'Drive Danger Out' campaign, a wider workplace transport inspection programme across all industries announced by HSENI earlier in September.

Under health and safety legislation, employers are required to ensure the health, safety and welfare of their employees and persons not in their employment as far as is reasonably practicable.

Until the end of March 2024, HSENI Inspectors will be conducting a focused program of site inspections to assess how workplace transport activities are being managed. Inspectors will provide information and advice on maintaining safe sites, vehicles, and drivers.

Where significant risks are found, inspectors may be required to take enforcement action to achieve compliance with health and safety legislation to ensure that the risks are adequately managed and reduced as far as is reasonably practicable.

See: [Haulage and logistics health and safety checks to increase \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk)

Support with the Business Explorer Programme

InterTradeIreland has launched a new programme to help businesses use innovation to tackle current challenges or develop new products or ideas. The programme provides a pathway of funded support that enables businesses to explore, plan, and implement innovative solutions through collaboration and knowledge transfer.

The programme offers two levels of funding.

Business Explorer - Explore

Up to £5,000 + VAT is available for you to work with an academic/industrial specialist on a new concept or business challenge over five days to find a solution.

After the five days, businesses can use a draft plan and recommendations to begin to implement change and consider progressing to the next Business Explorer level - Plan.

Business Explorer - Plan

Up to £20,000 + VAT is available for you to continue working with the specialist for 18 days to develop a plan to integrate the new solution into your business.

The programme is open to financially viable, small or medium-sized enterprise (SME) in the manufacturing or tradable services sector. The business must be indigenous to and located on the island of Ireland, with a minimum two-year trading history.

See: [Business Explorer Programme | nibusinessinfo.co.uk](https://nibusinessinfo.co.uk/business-explorer-programme)

Supporting Women programme - Ambition To Grow

Invest Northern Ireland (Invest NI) is launching a programme to support women-led businesses to access support, create jobs and sell innovative products or services outside Northern Ireland.

The Ambition to Grow - Supporting Women programme, supported by [Women in Business Northern Ireland](https://nibusinessinfo.co.uk/women-in-business-northern-ireland), will provide grant support of up to £30,000 to eligible small and medium-sized businesses that have a woman in a key decision-making position.

The funding is aimed at helping to create new employment within the business and assisting with the costs of targeting markets outside Northern Ireland, technical development activities, and upskilling existing and new employees.

Successful applicants will also be able to build valuable connections, working with other women-led businesses and encouraging shared learning and leadership development.

See: [Ambition To Grow | Supporting Women programme \(nibusinessinfo.co.uk\)](https://nibusinessinfo.co.uk/ambition-to-grow-supporting-women-programme)

Funding to bring vacant commercial properties back into use – Armagh City

Fit for Future scheme offers grants of up to £20,000 to eligible individuals in the Armagh City, Banbridge & Craigavon Borough Council area.



The Fit For Future Scheme, which is led by Armagh City, Banbridge and Craigavon Borough Council, sets out to offer grants of up to £20,000 to eligible individuals to help bring vacant borough properties back into use and support the area's revitalisation.

The Fit for Future scheme opens to expressions of interest on Monday 9 October and will close at midday on Friday 17 November 2023.

See: [Fit For Future - Armagh City, Banbridge and Craigavon Borough Council \(armaghbanbridgecraigavon.gov.uk\)](https://armaghbanbridgecraigavon.gov.uk)