

Written by 2 October 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 REALLY important stuff!**

With the constant news surrounding the economy, interest rate uncertainty, and high inflation, it is difficult not to worry about these issues and lose sight of what's really important – the health and welfare of you and your loved ones.



The issue we all face is a potent mix of inflation, recession, high debts, and the core reason for it all, a wartime energy shock. It is not the market driving the crisis; it is geopolitics, diplomacy, and conflict. On an individual level these events are not within our control, so what can we do to keep rational whilst this crisis unfolds?

It is worth remembering a quote from the singer Celine Dion: “Life imposes things on you that you can’t control, but you still have the choice of how you’re going to live through this”.

Firstly, know that you can only control your life and those close to you. Everything else going on is typically uncontrollable just now. So, take time to set some long-term goals to give yourself a sense of agency and control. Next, list the things that make you happy and safe; by doing this you can focus on the good things and not the

other stuff. Thirdly, take time out to do things you enjoy. Doing something you are good at reinforces a sense of self-worth and purpose.

If you own a business, then:

- 1 Take time to review your personal objectives – the business is there to provide you with what you want from life, not the other way round!
- 2 Look at where the business is now: its strengths, weaknesses, opportunities, and threats. Get a clear understanding of its position in the marketplace, the competition, the systems, the way things are done, and the improvements that could be made.
- 3 Focus on what the business is to look like when it is “complete” or running profitably and successfully. Then you can determine priorities – the big issues that need to be focussed on.

It is also a good idea to look at where you are now and plan for a range of scenarios “good and bad” so that you can be flexible about the direction you should take.

Ask us about our One Page Analyst, a “what if” scenario planner which takes your projected 2024 figures and allows you to work out the effect on profit of reducing expenses, increasing sales, increasing or decreasing prices.

If you need help during the next few months, then please call us – we are here to support you!

## **Managing your cash flow**

With increasing supplier prices and economic uncertainty, managing your business’s cash and understanding its flow are now vital tools in maintaining resilience and being able to adopt flexible strategies for success.



Cash flows are a reflection of all the cash that is flowing in and out of a business. Owners can look at the direction of the cash flows for insights about the health of specific products or services and overall market patterns.

Some types of business are more likely to run into cash flow problems, while other types appear to be more resilient. If you are a business owner, you might be wondering which category your business falls into. No matter how inventive or simple your business model is, you can still have problems with cash flow. Here are our thoughts on managing the flow of cash in your business:

The first stage of understanding and predicting how funds flow is to perform a health check on your accounts. Look at your latest profit and loss statement and check that your income is sufficient to cover your expenses. If your profit is falling behind your expenses and cash flow is slowing down, you might need to take action. Prepare a funds flow statement so you know where the money goes.

Next, create a yearly budget and look at where cash could become tight, identifying months where you can save to cover off the quieter times. Look at those quieter months and think about flexible work scheduling, new products or services, or other activities to tide you over.

Finally, make sure you collect your money from those who owe you quickly. Reward customer loyalty by offering early bird discounts, set credit limits and payment terms to ensure customers follow the rules. If you take on new customers, make credit checks. Penalise late payers and request up front deposits or payment.

[Talk to us about preparing a funds flow statement and annual budget so that you can work on your business for maximum success!](#)

### **Business Finance Week 2023**

From 6 to 10 November 2023, the British Business Bank, along with several partners from across the UK, will host Business Finance Week 2023.



With a host of free nationwide and regional in-person events and webinars, Business Finance Week 2023 aims to help smaller businesses learn about the different finance options available to them to support their individual needs.

Events coming up as part of the week include:

[Making sense of start-up funding: Where do I start?](#)

Monday 6 November 2023, 12:30pm to 1:30pm, online event

[Unlocking potential for your business through diversity and sustainability](#)

Tuesday 7 November 2023, 10am to 11:30am, online event

[Growing your business: An interview with a founder](#)

Tuesday 7 November 2023, 12:30pm to 1pm, online event

[Maintaining healthy levels of working capital](#)

Wednesday 8 November 2023, 10am to 11:30am, online event

[Prepare your business for external finance](#)

Wednesday 8 November 2023, 12:30pm to 1:20pm, online event

[Exploring working capital in Northern Ireland](#)

Wednesday 8 November 2023, 2pm to 3:30pm, online event

[Investment for innovation](#)

Thursday 9 November 2023, 9:30am to 11am, online event

[Growing your business: An interview with a founder - 9 November](#)

Thursday 9 November 2023, 12:30pm to 1pm, online event

[What next? Finance as a journey](#)

Friday 10 November 2023, 12:30pm to 1:30pm, online event

[Inspiring inclusive entrepreneurship](#)

Friday 10 November 2023, 10am to 12:30pm, The Duncairn, Belfast

See: [Business Finance Week 2023 - British Business Bank \(british-business-bank.co.uk\)](https://www.british-business-bank.co.uk)

## **First time tax return?**

Taxpayers who are new to Self-Assessment for the 2022 to 2023 tax year may include:

- those who are newly self-employed and earned more than £1,000;
- a new partner in a business partnership;
- those who had a total taxable income of more than £100,000;
- those who have received any untaxed income such as tips, commission, money from renting out a property or income from savings, investments, and dividends; and
- those claiming Child Benefit but they or their partner have an income above £50,000.

Self-employed taxpayers must also register for Class 2 National Insurance contributions.

You should register with HMRC by 5 October 2023 here: [Register for Self Assessment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/register-for-self-assessment)

### Paper tax return deadline

The tax return deadline for the 2022 to 2023 tax year is Tuesday 31 October 2023 for those completed on paper forms.

### Online tax return deadline

The tax return deadline for the 2022 to 2023 tax year is Wednesday 31 January 2024 for online returns and to pay any tax owed.

See: [Self Assessment tax returns: Who must send a tax return - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/self-assessment-tax-returns-who-must-send-a-tax-return)

### **Innovation Loans Future Economy competition: round 11**

Innovate UK is offering up to £25 million in loans to micro, small, and medium-sized enterprises (SMEs). Loans are for highly innovative late-stage research and development (R&D) projects with the best potential for the future. There should be a clear route to commercialisation and economic impact.

Your project must lead to new products, processes, or services that are significantly ahead of others currently available, or propose an innovative use of existing products, processes, or services. It can also involve a new or innovative business model.

See: [Competition overview - Innovate UK innovation loans future economy: round 11 - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://www.innovation-funding.service.gov.uk/competition-overview)

### **Made in the UK, Sold to the World Awards 2024**

The annual Made in the UK, Sold to the World awards recognises and celebrates the global trading success of SMEs from across the UK.



The Department for Business and Trade's 2024 Made in the UK, Sold to the World awards will open for entries on Friday 10 November 2023, during this year's International Trade Week (6 to 13 November 2023).

There will be ten categories of awards to enter:

- Agriculture, Food & Drink;
- Consultancy & Professional Services;

- Creative Industries;
- Education & EdTech;
- Financial Services & FinTech;
- Healthcare;
- Infrastructure & Engineering;
- Low Carbon Energy;
- Manufacturing, Advanced Manufacturing & Construction; and
- Retail & Consumer Goods.

See: [2024 Awards Information - great.gov.uk](https://www.great.gov.uk/2024-awards-information)

### **New training places available for retrofitting, heat networks, and heat pump installations**

A new wave of low-carbon heating and insulation installers will be created through thousands of heavily discounted training spaces in a boost to the green jobs sector.

Up to 8,000 people – including current installers and those who are new to the industry – will be able to develop the skills and expert knowledge needed to retrofit homes and install insulation through a host of training providers thanks to the Home Decarbonisation Skills Training scheme.

A further 4,000 people will also be able to get £500 towards training to install and maintain heat networks through the Heat Training Grant.

The Low Carbon Heating Technician Apprenticeship, the first of its kind, will provide people with the chance to learn how to install low-carbon heating systems on the job, supporting delivery of the expanded Boiler Upgrade Scheme which gives hard-working families the opportunity to make the switch away from fossil fuel heating.

See: [Thousands of low-cost training spaces available in boost to green jobs sector - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/thousands-of-low-cost-training-spaces-available-in-boost-to-green-jobs-sector)

### **UK signs sixth US state deal with Washington State**

The UK and the US state of Washington signed a new Memorandum of Understanding (MoU) on trade and investment last week.

Washington State is home to major US business including Amazon, Starbucks, Microsoft and Boeing, and has a GDP roughly equivalent to Poland. The MoU marks the sixth delivered as part of the UK's state-level strategy to increase trade with the US and means that the combined GDP of states the UK has MoUs with now totals £2.2 trillion.

The UK has signed MoUs with Indiana, North Carolina, South Carolina, Oklahoma, Utah, and now Washington. Collectively these states imported £5.1 billion of UK goods in 2022.

The Government is actively engaging with further states including Florida, Texas, California, Colorado, and Illinois.

See: [UK signs sixth US state deal with Washington State - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-signs-sixth-us-state-deal-with-washington-state)

### **World's first fully digitalised goods shipment sent from Burnley**

The first ever fully digitalised goods shipment landed in Singapore from Burnley after the UK introduced legislation to digitise trade documents to make importing and exporting easier for businesses.

A valve produced by Burnley-based manufacturer Fort Vale set off from Manchester Airport on Thursday, facilitated by UK and Singapore based tech company LogChain, and arrived in Singapore. For the first time ever, the shipment was processed entirely digitally, rather than via physical customs documents.

The news comes following the UK's digital trade agreement with Singapore, which facilitated electronic trade, as well as the introduction of the UK's Electronic Trade Documents Act (ETDA) which came into force last week.

The Act made the UK the first G7 country to place electronic trade documents on the same legal footing as paper documents. It is estimated the move could generate £1.14 billion for the UK economy over the next decade.

See: [World's first fully digitalised goods shipment sent from Burnley in billion-pound Brexit boost for British businesses - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/worlds-first-fully-digitalised-goods-shipment-sent-from-burnley-in-billion-pound-brexit-boost-for-british-businesses)

### **Christmas and new year holidays**

The Christmas season has a big impact on most businesses and employees in the UK. It will be a time when there is likely to be extra demand for products, services, and sales in some businesses whilst others may experience a quiet period or may shut for the Christmas holidays.

This year, Christmas Day, 25 December 2023 falls on a Monday and Boxing Day, 26 December 2023, falls on a Tuesday. New Year's Day also falls on a Monday.

The Advisory, Conciliation and Arbitration Service (ACAS) has useful guidance for both employers and employees on their website about holiday entitlement.

See: [Holiday, sickness and leave | Acas](https://www.acas.org.uk/articles/holiday-sickness-and-leave)

## **Highlands and Islands - New Product Development Programme**

The New Product Development Programme is aimed at established businesses that have a new product or service they wish to bring to market. The programme consists of 5 sessions spread over 12 weeks. It will take businesses through all the stages of bringing a new product or service to market. This programme will host 6 cohorts over a 2.5-year period.

Applications for the February 2024 cohort will open on 2 October 2023. The deadline to apply is 31 January 2024. Applications will be accepted on a first come, first served basis.

See: [Product development programme | HIE](#)

## **Glasgow City Council Green Business Grant**

The Glasgow City Council Green Business Grant will help businesses in Glasgow address both the cost of living and climate crises through measures such as energy efficiency, renewables, active travel, and waste management.

The Green Business Grant is a non-repayable grant of up to £10,000, which will cover up to 50% of the total cost of a project. Projects can include anything that helps businesses reduce their energy bills and make progress towards achieving net zero carbon emissions.

This project is part funded by the UK government through the UK Shared Prosperity Fund.

See: [Green Business Support Programme - Glasgow City Council](#)

## **Scottish Parliament has approved final extension of tenant protections**

Measures to protect tenants through the cost of living crisis, including the 3% rent cap and additional eviction protections, will be extended for a further period of up to six months following a vote by MSPs.

The Cost of Living (Tenant Protection) Act was introduced in October 2022 to protect tenants against the impacts of rising costs, then extended for six months from April 2023. The Scottish Parliament has now voted for a final extension, meaning the rent cap and eviction protections will be in place until March 2024 at the latest.

This will mean:

- Most in-tenancy private rent increases will continue to be capped at 3% for any 12-month period;
- Alternatively, private landlords can apply for increases of up to 6% to help cover certain increases in costs in a specified time period where these costs can be evidenced;



- Enforcement of evictions will continue to be paused for six months for most tenants, except in a number of specified circumstances; and
- Increased damages for unlawful evictions of up to 36 months' worth of rent will continue to be applicable.

Social rented sector tenants are protected by the voluntary agreement reached with social landlords on below-inflation rent increases for this financial year.

See: [Scottish Parliament approves final extension of tenant protections - gov.scot \(www.gov.scot\)](https://www.gov.scot/news/scottish-parliament-approves-final-extension-of-tenant-protections/)

## **Investing in nature**

Over £3 million has been distributed to nature projects across Scotland to help them scale up their conservation work and ensure the benefits are shared with local communities.

The Facility for Investment Ready Nature in Scotland (FIRNS) is co-funded by The National Lottery Heritage Fund in partnership with the Scottish Government and NatureScot. It aims to help create a pipeline of market-ready projects to help attract responsible private investment in Scotland's nature.

27 diverse projects will share over £3.6 million this year; approximately £1.8 million from public funds and another £1.8 million matched by The National Lottery Heritage Fund. The funded projects are spread across Scotland: from the Solway Firth to Shetland, Fife, across central Scotland, and the Hebrides.

Examples include using private finance to restore river catchments to improve water quality and reduce flood risk, while creating community assets such as growing spaces and improved greenspace.

See: [Investing in nature - gov.scot \(www.gov.scot\)](https://www.gov.scot/news/investing-in-nature/)

## **Agreement powering onshore wind development**

An initiative to position Scotland as a European hub for the recycling and repurposing of wind turbine blades is included in a deal agreed by the Scottish Government and industry.

The commitment to establish at least one specialist facility by 2030 forms part of the Onshore Wind Sector Deal signed today at the Scottish Renewables Onshore Wind Conference in Edinburgh.

The Deal lays out how the Government and industry will work together to harness the full potential of onshore wind to benefit communities, boost the economy, and reduce carbon emissions.

Disposing of decommissioned turbine blades is an increasing challenge and the sector's commitment to open a treatment plant, with Government support, will

provide an environmentally friendly solution, create jobs, and place Scotland at the forefront of the emerging global technology.

See: [Agreement powering onshore wind development - gov.scot \(www.gov.scot\)](http://www.gov.scot)