

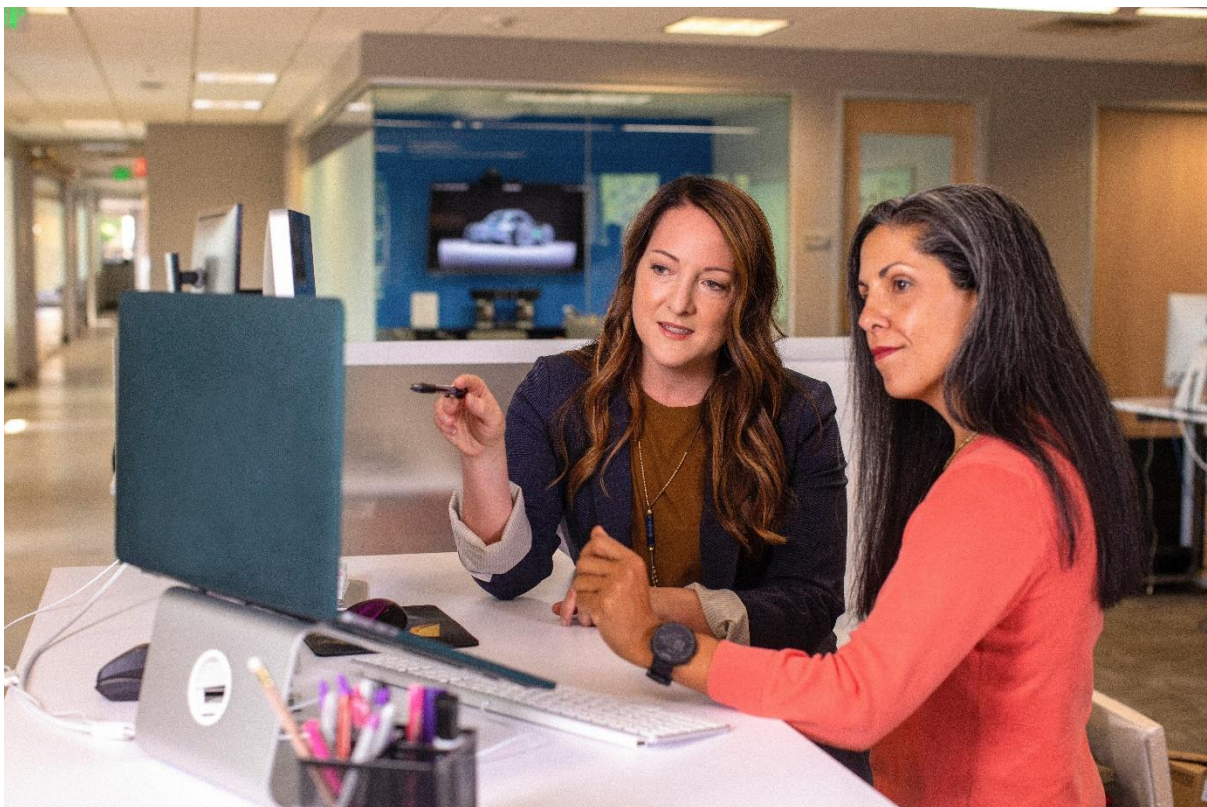
Written by 4 December 2023

## **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!

### **Changes to UK company law**

The Economic Crime and Corporate Transparency Act received royal assent on 26 October 2023 and will introduce a number of changes over the next few years.



The act gives Companies House the power to play a more significant role in tackling economic crime and supporting economic growth. Over time, the measures will lead to improved transparency and more accurate and trusted information on Companies House registers.

Under the Act, there will be new responsibilities for:

- all new and existing company directors;
- people with significant control of a company (PSCs); and
- anyone who files on behalf of a company.

The new legislation generally applies to all entities registered with Companies House, including:

- private limited companies;
- public limited companies (PLCs);
- limited liability partnerships (LLPs);
- limited partnerships (LPs);
- community interest companies (CICs); and
- overseas companies.

The legislation applies to companies and other entities registered in England and Wales, Scotland, and Northern Ireland and applies to anyone who files on behalf of clients, such as accountants and company formation agents.

If you are planning on starting a new company or another entity type, you will need to consider the changes and new responsibilities introduced by the act. For existing directors and companies, it is important to understand how these changes will affect you.

Some of the changes include:

- Greater powers for Companies House to query information, stronger checks on company names, new rules for registered office addresses, and new lawful purpose statements;
- Identity verification - Anyone setting up, running, owning, or controlling a company in the UK will need to verify their identity;
- Transitioning towards filing accounts by software only, and changes to small company accounts filing options;
- Increasing Companies House fees to take new future expenditure into account, as well as making sure costs are recovered from existing expenditure;
- Protecting personal information - Individuals will be able to apply to suppress personal information from historical documents and apply to have personal information protected from public view because of risk of harm;
- Changes for limited partnerships – these will need to file their information through authorised agents, and they will need to file more information with Companies House; and
- More effective investigation and enforcement powers for Companies House, and new powers to share data with law enforcement agencies and other government departments.

See: [Changes at a glance - Changes to UK company law Companies House changes](#)

### **Travel support for UK businesses to attend European events**

Innovate UK is offering travel support for businesses to attend consortia-building events in Europe.

The travel awards support businesses who want to expand their networks across Europe and make an impact in collaborative international research and development (R&D) projects.

The awards encourage UK participation, engagement, and visibility at international events and aim to accelerate UK involvement in European research programmes (including Horizon Europe and EUREKA).

To be eligible for support, you need to be a for-profit, UK-based, R&D performing SME according to the [EU definition](#).

If successful in your application for travel and accommodation costs, you will receive proactive support from Innovate UK to help you maximise the benefit of attending.

Up to £700 is available to help cover travel and subsistence costs needed to attend the following events:

- [16th European Space Conference](#), 23-24 January 2024, Brussels, Belgium (Deadline to apply: 2 January 2024, Notification date: 8 January 2023)
- [Road Transport Research Conference](#), 5-7 February 2024, Brussels, Belgium (Deadline to apply: 24 January 2024, Notification date: 29 January 2024)
- [‘Charting the course towards a Sustainable Blue Economy’ Symposium](#), 13-14 February 2024, Brussels, Belgium (Deadline to apply: 23 January 2024, Notification date: 24 January 2024)
- [Clean Aviation Annual Forum](#), 5-6 March 2024, Brussels, Belgium (Deadline to apply: 21 February 2024, Notification date: 26 February 2024)
- [Transport Research Arena](#), 15-18 April 2024, Dublin, Ireland (Deadline to apply: 3 April 2024, Notification date: 8 April 2024)

See: [Travel support for UK businesses to attend European events - Apply now! - Innovate UK KTN \(ktn-uk.org\)](#)

## **The Unified R&D Tax Credit Scheme**

The UK government has announced reforms to its Research and Development (R&D) tax credit system. This transformation seeks to combine the Research and Development Expenditure Credit (RDEC) and the SME relief into a singular scheme, effective from accounting periods beginning on or after 1 April 2024.

The new “merged approach” intends to streamline the system by introducing a single set of qualifying rules. The merging of these two schemes may raise concerns about the scheme's overall effectiveness compared to the older, higher-rate SME scheme. The new unified scheme's impact on fostering R&D investment and innovation, especially for smaller enterprises, remains to be fully identified.

The key changes in the UK's new unified R&D tax relief scheme include:

- The introduction of a single set of qualifying rules, rather than separate rules for SME and RDEC claims.
- The scheme allows companies making R&D decisions and bearing risks to claim relief for subcontracted R&D.
- Subsidised expenditure rules from the SME scheme will not be carried forward to the new scheme, meaning external funding won't reduce the available support. Grant funded projects remain claimable, which is a welcome announcement.

The rate under the new scheme is set at the current RDEC rate of 20%. This credit will be subject to corporation tax.

See: [Research & Development \(R&D\) tax relief reforms - GOV.UK \(www.gov.uk\)](https://www.gov.uk/research-and-development-r&d-tax-relief-reforms)

### Advisory fuel rate for company cars

The table below sets out the HMRC advisory fuel rates from 1 December 2023. These are the suggested reimbursement rates for employees' private mileage using their company car.

Where the employer does not pay for any fuel for the company car, these are the amounts that can be reimbursed in respect of business journeys without the amount being taxable on the employee.

Engine Size	Petrol	Diesel	LPG
1400cc or less	14p (13p)		10p
1600cc or less		13p (12p)	
1401cc to 2000cc	16p		12p
1601 to 2000cc		15p (14p)	
Over 2000cc	26p (25p)	20p (19p)	18p (19p)

Where there has been a change, the previous rate is shown in brackets.

You can also continue to use the previous rates for up to 1 month from the date the new rates apply.

Note that for hybrid cars you must use the petrol or diesel rate. For fully electric vehicles the rate is 9p (10p) per mile.

Please contact us if you need help in applying the new rates.

## **IP and Business Growth survey**

The Intellectual Property Office (IPO) is inviting businesses to share their views on how intellectual property (IP) helps them scale and grow.

In a modern global economy, innovation, creativity, design, and brand recognition are increasingly important to business success. All these elements are underpinned by IP rights, such as copyright, trademarks, patents, and designs.

The IPO wants to support businesses to manage their IP rights effectively. It is conducting a review of UK's IP-backed finance ecosystem and IP insurance landscape. The new survey forms part of this review.

The survey covers a broad range of topics. Responses will help the IPO:

- better understand how businesses may raise external finance - including leveraging their IP assets to secure funding;
- explore awareness, perception and use of IP litigation insurance products among businesses; and
- better understand how to support businesses most effectively in managing their IP assets.

The IPO wants to hear from businesses of all sizes, and from a wide range of sectors, which hold IP - whether an individual entrepreneur, start-up, established firm, or large corporate.

The survey closes on 2 February 2024.

See: [IP and Business Growth Survey - Intellectual Property Office - Citizen Space](#)

## **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.

### [New to Self-Assessment](#)

Thu 7 Dec at 1:45pm

Mon 18 Dec at 11:45am

[Capital expenditure and revenue repairs](#)

Tue 9 Jan at 1:45pm

[VAT - the basics and the VAT return](#)

Tue 12 Dec at 9:45am

[Finance costs and travel expenses](#)

Wed 10 Jan at 11:45am

[How to fill in your Self-Assessment tax return if you're self-employed](#)

Mon 11 Dec at 1:45pm

Wed 20 Dec at 9:45am

[Cash basis and property income allowance](#)

Thu 11 Jan at 9:45am

[How to fill in your Self-Assessment tax return if you have UK property income](#)

Thu 14 Dec at 1:45pm

Tue 19 Dec at 11:45am

[VAT accounting schemes](#)

Mon 18 Dec at 9:45am

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

Tue 5 Dec at 9:45am

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

Tue 5 Dec at 1:45pm

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

Wed 6 Dec at 11:45am

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

Thu 7 Dec at 11:45am

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

Tue 12 Dec at 1:45pm

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

Wed 13 Dec at 9:45am

[Capital allowances and vehicles](#)

Wed 13 Dec at 11:45am

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

Thu 14 Dec at 11:45am

[How to finish your Self-Assessment tax return, your tax calculation and payments](#)

Tue 19 Dec at 1:45pm

Wed 20 Dec at 1:45pm

[VAT: using the Flat Rate Scheme](#)

Tue 19 Dec at 3:45pm

## [Company directors - payroll and you](#)

Mon 5 Feb at 11:45am

### **New funding for space technology projects**

The UK Space Agency has announced 23 projects that could help the UK with new space technologies and applications around the world.

The Enabling Technologies Programme (ETP) provides opportunities for the UK space sector to accelerate the development of leading-edge technologies that could be used to tackle global problems and benefit the work of space organisations internationally.

The total government funding is £4 million - made up of £3.2 million from the UK Space Agency with £800,000 contributed by the Science and Technology Facilities Council (STFC), part of UK Research and Innovation (UKRI).

The projects from academia and industry explore how space can be used more efficiently for purposes such as weather prediction, climate-change monitoring, and space debris removal through methods of propulsion, sterilisation, in-orbit servicing, imaging, and more.

See: [New UK funding for space technology projects - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/new-uk-funding-for-space-technology-projects)

### **UK and South Korea launch talks on new trade deal**

The UK and South Korea have entered talks on a modernised trade deal to boost trade and strengthen their relationship.

It comes as Korean businesses commit £21 billion of investment into the UK, backing renewable energy and infrastructure projects across the country and supporting more than 1,500 highly skilled jobs.

South Korea is the 13th largest economy in the world and its import demand is set to grow rapidly. With around 45 million middle class consumers and an import market expected to grow by 45% by 2035, it presents massive opportunities for UK companies.

The UK and South Korea are both major modern economies with big digital sectors and the current trade deal, negotiated more than a decade ago, doesn't include digital chapters that reflect the modern economy.

With nearly 80% of UK services exports to Korea delivered digitally in 2021, securing modern digital provisions could unlock big opportunities for UK businesses.

The UK's trade with South Korea has more than doubled in current prices since our existing trade deal was agreed in 2011. An upgraded trade deal is expected to boost our £16 billion annual trading relationship with South Korea, supporting jobs and livelihoods up and down the UK.

See: [UK and South Korea to launch talks on new trade deal as Korean businesses back Britain with £21 billion of investment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/uk-and-south-korea-launch-talks-on-new-trade-deal)

## **Changes to data protection laws – The Data Protection and Digital Information Bill**

A raft of changes to the Data Protection rules have been laid before Parliament in the Digital Information Bill which aims to build an innovative data protection regime in the UK.

The changes include new powers to require data from third parties, particularly banks and financial organisations, to help the UK government reduce fraud and save the taxpayer up to £600 million over the next five years. Currently, Department for Work and Pensions (DWP) can only undertake fraud checks on a claimant on an individual basis, where there is already a suspicion of fraud.

The new proposals would allow regular checks to be carried out on the bank accounts held by benefit claimants to spot increases in their savings which push them over the benefit eligibility threshold, or when people spend more time overseas than the benefit rules allow for. This will help to identify fraud and take action more quickly. To make sure that privacy concerns are at the heart of these new measures, only a minimum amount of data will be accessed and only in instances which show a potential risk of fraud and error.

Another measure offers vital reassurance and support to families as they grieve the loss of a child. In cases where a child has died through suicide, a proposed ‘data preservation process’ would require social media companies to keep any relevant personal data which could then be used in subsequent investigations or inquests.

Current rules mean that social media companies aren’t obliged to hold onto this data for longer than is needed, meaning that data which could prove vital to coroner investigations could be deleted as part of a platform’s routine maintenance. The change tabled before Parliament represents an important step for families coming to terms with the loss of a loved one and takes further steps to help ensure harmful content has no place online.

The use of biometric data, such as fingerprints, to strengthen national security is also covered by the amendments, with the ability of Counter Terrorism Police to hold onto the biometrics of individuals who pose a potential threat, and which are supplied by organisations such as Interpol, being bolstered.

This would see officers being able to retain biometric data for as long as an INTERPOL notice is in force, matching this process up with INTERPOL’s own retention rules. The amendments will also ensure that where an individual has a foreign conviction, their biometrics will be able to be retained indefinitely in the same way as is already possible for individuals with UK convictions – this is particularly important where foreign nationals may have existing convictions for serious offences, including terrorist offences.



See: [Changes to data protection laws to unlock post-Brexit opportunity - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

## **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 (DBT's) 2024 Made in the UK, Sold to the World awards are now open for entries.



There are 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.

There will be one winner from each category and up to three highly commended businesses.

Winners will receive a 2024 winner's trophy, certificate, and digital badge, as well as a year's free business membership to the Institute of Export and International Trade (IoEIT). Your business will also receive tailored promotion across Department for Business and Trade channels.

Highly commended businesses will receive a certificate, digital badge and a year's free business membership to the Institute of Export and International Trade.

If you have a story to tell about how your business is successfully selling its products or services to the world, DBT want to hear from you. Entries for the 2024 awards will close Sunday 14 January 2024.

See: [Awards now open for entries - great.gov.uk](#)

## **UK government funding for jobs in AI sector**

Up to £17 million in government funding will create more scholarships for AI and data science conversion courses, helping young people from groups underrepresented in the tech industry including women, black people, people with disabilities, and people from disadvantaged socioeconomic backgrounds join the UK's world-leading Artificial Intelligence (AI) industry.

The government is encouraging companies to play their part in creating a future pipeline of AI talent by co-funding the AI scholarships for the conversion courses. Industry support for these scholarships will help get more people into the AI and data science job market quicker and strengthen UK businesses.

Together, government and industry funding will create two thousand scholarships for masters AI and data science conversion courses, each worth £10,000. The programme is enabling graduates to do further study courses in the field even if their undergraduate course is not directly related, creating a new generation of experts in data science and AI.

Courses are open to anyone who meets a participating university's entry requirements. Details of how to apply are available on the universities' websites. Eligible applicants can apply for a scholarship through their university. Please visit the [Office for Student's website](#) for more information.

The UK is ranked third in the world for private venture capital investment into AI companies (2019 investment into the UK reached almost £2.5 billion) and is home to a third of Europe's total AI companies.

The new scholarships will ensure more people can build careers in AI, create, and develop new and bigger businesses, and will improve the diversity of this growing and innovative sector.

See: [£17 million to boost skills and diversity in AI jobs - GOV.UK \(www.gov.uk\)](#)

## **Autumn Statement offers 'worst case scenario' for Scotland**

The Autumn Statement delivered the 'worst case scenario' for Scotland's finances and failed to live up to the challenges posed by the cost of living and climate crises, Deputy First Minister Shona Robison has said.

The statement failed to deliver the investment needed in services and infrastructure, Ms Robison said. While welcoming the increase in the statutory minimum wage, she

said this did not go far enough and fell well short of the Real Living Wage of £12 an hour for 2024-25.

The Scottish Budget will be announced on 19 December.

See: [Autumn Statement - Scottish Government priorities: Deputy First Minister statement - gov.scot \(www.gov.scot\)](#)

## **The City of Edinburgh Council Expert Help Programme**

The Expert Help Programme offers businesses expert help in the form of workshops and one-to-one support to help them grow their business and trade internationally. It is funded through the European Regional Development Fund (ERDF).

Several types of support are offered through the programme:

### Expert Help light sessions

Clients can engage with a specialist consultant for a short 90-minute session. These short sessions are designed to help if there were a specific issue you would like to discuss or gain some knowledge or ideas to help grow your business. Topics covered include social media, digital, PR and marketing, HR, and exporting.

The sessions typically take place over Zoom. You will need to be referred by a Business Gateway adviser.

### Expert Help consultancy

If your business is growing and you feel you could benefit from longer-term specialist support, you can benefit from up to 3 days of consultancy to help realise your growth ambitions. Specialist advice is available in the areas of digital strategy, marketing and communications strategy, HR consultancy, business strategy, and international trade support.

See: [The City of Edinburgh Council Expert Help Programme \(findbusinesssupport.gov.scot\)](#)

## **Glasgow Guarantee**

This free employment programme helps match businesses looking for candidates with Glasgow residents looking for work.

Support is provided to Glasgow businesses that are recruiting for future employees, and job opportunities are made available to Glasgow residents who are either:

- unemployed,
- underemployed (in part-time work or on a zero hours contract), or
- about to leave school or college.

Business that are recruiting staff can benefit from:

- financial support through a wage subsidy;
- access to a pool of work-ready job candidates; and
- access to additional training funds.

Candidates looking for a new job can benefit from:

- instant access to a large number of permanent Glasgow vacancies and modern apprenticeship opportunities;
- full support and assistance from a local employability provider;
- jobs that run for a minimum of 2 years; and
- being paid the Glasgow Living wage.

See: [Glasgow Guarantee \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **Regional Selective Assistance grants**

The Regional Selective Assistance (RSA) grant from Scottish Enterprise helps projects that create or protect jobs in areas of Scotland. The level of grant offered depends on the location of your project and the size of your business.

An RSA can typically cover up to 35% of the eligible costs for a small or medium-sized enterprise (SME) and 15% of the eligible costs for a large enterprise.

Projects must last between 6 and 36 months. The minimum grant amount considered is £100,000.

Your business can be based outside of Scotland, but the project itself must take place in Scotland.

Large businesses will only be eligible if the project involves diversification of activity at an existing location or new activity taking place on a new site.

See: [Regional Selective Assistance grants \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **West Lothian Council Business Accelerator Programme**

The Business Accelerator Programme is aimed at businesses in West Lothian that are looking to accelerate their growth and recovery from the COVID-19 pandemic. The programme involves a combination of one-to-one support and attendance at a series of group workshops, delivered by industry expert consultants.

The workshops will cover key growth areas in:

- strategy,
- innovation,
- finance,

- productivity,
- sustainability, and
- skills and training.

Businesses will get help to develop a tailored action plan that can be used as a tool to map out business growth objectives. Businesses will also be supported by their Business Gateway adviser during the programme and will have access to potential funding and further tailored one-to-one support based on their action plan.

See: [West Lothian Council Business Accelerator Programme \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **Commercial loan funding for businesses in Shetland**

Secured commercial loans are available to new and growing businesses in Shetland. This loan funding aims to encourage and support the creation, development, and growth of businesses that will contribute to and strengthen the local economy in Shetland in terms of jobs and other benefits.

Sometimes, equity and hire purchase finance is also available where there are specific advantages to these forms of finance. You should discuss the type of finance you need with Shetland Islands Council before you submit an application.

These loans are usually in the form of gap funding or co-investment with banks and other finance providers. You should investigate and maximise other forms of funding before you apply for a council loan.

Loans are repayable over a fixed term and interest and capital repayments are collected by Direct Debit each month.

See: [Commercial loan funding for businesses in Shetland \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **Falkirk Council Expert Help**

The Falkirk Council Expert Help scheme allows businesses to get support from a specialist to help them grow and develop their business for free. Businesses located in the Falkirk Council area will receive up to 3 days of fully-funded support, plus advice from experienced, qualified, professional experts.

Support is available on the following topics:

- marketing,
- IT,
- Finance,
- Procurement,

- leadership and organisational development,
- digital media solutions,
- environmental support,
- internationalisation, and
- innovation.

See: [Falkirk Council Expert Help \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **Guidance on livestock identification requirements for export following EU exit**

The Scottish Government has published guidance on changes to the requirements around the export of livestock from Scotland to the European Union (EU) and its movement to Northern Ireland (NI) following the EU exit. These changes affect how animals are identified and their movements recorded. They came into effect from 1 January 2021.

The guidance includes advice on cattle, pigs, sheep, and goats. It also links to further information on the import and export of live animals and animal products following the EU exit.

See: [Guidance on livestock identification requirements for export following EU exit \(findbusinesssupport.gov.scot\)](https://findbusinesssupport.gov.scot)

### **Farming skills for the next generation**

Funding of over £500,000 will help women and young people develop new agricultural skills and further their careers within the farming sector.

The Next Generation and Women in Agriculture Practical Training Funds will provide successful applicants with £500 each to help pay for practical training courses relevant to farming and crofting.

Rural Affairs Secretary Mairi Gougeon announced the new support during a speech at AgriScot 2023 at the Royal Highland Centre on Wednesday 22 November.

See: [Farming skills for the next generation - gov.scot \(www.gov.scot\)](https://www.gov.scot)