

Written by 26 January 2026

## **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 Management Skills Matter More Than Ever for Business Owners**

Many people start a business because they are good at what they do. A great designer sets up on their own. A skilled electrician goes self-employed. A consultant turns expertise into income. What often comes later is realising that running a business and doing the work are two very different jobs.

As a business grows, management skills become just as important as technical ability for the success of the business.

#### What management really means in a small business

In a smaller business, management is not about hierarchy or job titles. It is about how work gets organised and how people, including you, are supported.

Good management often shows up in quite simple, everyday ways. For instance:

- Setting clear expectations with staff, contractors or clients.
- Deciding between what needs to be done now and what can wait.
- Spotting problems early, before they become expensive.
- Having time to step back and think.

Firefighting, missed deadlines, confused roles, work being redone, or feeling constantly stretched can all be signs of a need to improve how the business is being managed. These kinds of issues do not usually come from a lack of effort; they come from a lack of structure.

#### Why management skills often get overlooked

Management skills often fall down the priority list because time is tight and client or customer work comes first. Or it may be that managing people feels uncomfortable or unfamiliar.

However, not addressing how the business is managed means you can end up stuck in the day-to-day, with little capacity to focus on growing the business or carrying out long-term planning.

## How improving management skills helps your business

Businesses with clearer management tend to:

- Run more predictably, with fewer surprises.
- Retain staff for longer and reduce recruitment costs.
- Have happier customers because they deliver a more consistent service.
- Free up time for the business owner to be able to focus on strategy.

Even small changes, such as regularly checking in with staff or having clearer task planning, can have a noticeable impact.

## Practical ways to build management skills

Improving management does not require formal qualifications or years of experience. For many business owners, they make progress by:

- Talking with other business owners about what works.
- Finding a mentor who can challenge their thinking and share experience.
- Undertaking some short, practical training.
- Thinking about what's not working and making one change at a time to gradually improve it.

Just like with any other part of the business, management can be learned and improved over time.

## A final thought

Good management and proper controls are vital for business success. Having the best idea in the world is only half the story. It is management skills that will make the idea work and keep you and your staff happy along the way.

Why not talk to us about one of our management improvement days? We can help you to identify your key systems and standardise how the business operates, so your efforts can be focused on where they add most value.

## **Nearly 500 employers fined over National Minimum Wage breaches**

Almost 500 UK employers have been fined a total of £10.2 million for failing to pay the National Minimum Wage (NMW), with £6 million returned to 42,000 workers.

The list of named employers includes well-known high-street brands, indicating that businesses of all sizes can have difficulties in applying the minimum wage rules correctly.

## Implications for employers

For businesses, this latest naming round highlights the ongoing scrutiny there is on minimum wage compliance.

The NMW and National Living Wage rates increased earlier this year, with a further rise planned from April 2026. As a reminder, the rates are:

	<b>2025 rate</b>	<b>2026 rate</b>
National Living Wage (21+)	£12.21	£12.71
18-20	£10.00	£10.85
Under 18	£7.55	£8.00
Apprentice	£7.55	£8.00

Failing to pay workers correctly can lead not only to fines but also risks harm to the business's reputation.

With employees being encouraged to obtain advice from Acas or complain to HM Revenue & Customs (HMRC), it is an important area to get right.

## Strengthening enforcement

The government plans to expand oversight of labour standards in 2026 with the creation of a Fair Work Agency as part of the new Employment Rights Bill. The agency will have powers to address employers who underpay workers and fail to pay holiday and sick pay.

If you need help with your payroll and ensuring that your staff are paid correctly, please get in touch. We would be happy to help you!

See: <https://www.gov.uk/government/news/expansion-of-support-scheme-to-help-thousands-of-people-back-into-work>

## **Private sector pay growth slows to five-year low**

UK wage growth eased to 4.5% between September and November 2025, according to the Office for National Statistics, reflecting a notable slowdown in private sector pay.

Pay in private businesses rose just 3.6%, the lowest rate in five years. Public sector wages increased 7.9%, however, the ONS has said that this was likely due to pay awards being brought forward when compared with the previous year.

The labour market showed further signs of cooling. The number of people on company payrolls fell by 135,000, with the decline concentrated in retail and hospitality.

Youth unemployment for 16-24-year-olds remained elevated at 15.9%, while overall unemployment held at 5.1%, the highest since early 2021.

## Are there any takeaways for businesses?

Economists have interpreted slower private sector pay growth as something that will ease inflationary pressures, which may help in further cuts to interest rates.

Slower private sector pay growth suggests that there could be some relief to wage pressures over the next few months, although with an increase to national minimum wage rates coming in April, hiring is unlikely to get cheaper.

The weaker hiring activity by retail and hospitality businesses suggests that consumers are feeling the pinch, which could have implications for sales income for many businesses.

See: <https://www.bbc.co.uk/news/articles/cddgrg87ly5o>

## **Self-employed workers able to apply for enhanced DBS checks**

From 21 January 2026, new legislation allows self-employed individuals and personal employees to apply for Enhanced and Enhanced with Barred List(s) DBS checks in their own right for the first time.

Until now, self-employed people could only obtain a Basic DBS check. Where an Enhanced check was needed, an employing organisation had to apply on their behalf, which was not always possible when someone was working directly for individuals.

### What's changing

Under the new rules, self-employed workers and personal employees who are paid for their role will be able to apply for Enhanced DBS checks themselves, provided their role is eligible.

Applications must be made through a DBS umbrella body, rather than directly to DBS.

This change is expected to be particularly relevant for:

- Private tutors providing lessons directly to children.
- Carers or support workers hired directly by individuals.

### What isn't changing

The eligibility criteria for DBS checks remain the same. Only roles that already qualify under existing DBS legislation will be eligible.

Where someone works for, or is contracted by, an organisation, the existing process still applies. Employers can continue to apply for DBS checks on behalf of their staff in the usual way.

## How applications will work

Self-employed individuals and personal employees will need to apply through a registered DBS umbrella body. These organisations are authorised to process DBS checks and submit applications to DBS.

The existing DBS fees still apply, and umbrella bodies may charge an additional administration fee. A list of suitable umbrella bodies can be found using the [find an Umbrella Body tool](#) on GOV.UK.

### If you're hiring someone directly

If you are hiring a self-employed worker or a personal employee, you cannot apply for a DBS check on their behalf. Instead, the individual being hired must make their own application through an umbrella body.

When recruiting, you can ask to see the applicant's original DBS certificate and use the free [DBS Update Service](#) to check whether it is still current.

If you are working independently in roles involving children or vulnerable adults, this change should make it easier to obtain the appropriate level of DBS check without relying on an organisation to apply on your behalf.

See: <https://www.gov.uk/government/news/self-employed-workers-and-personal-employees-can-now-apply-for-enhanced-dbs-checks>

## **Small Business Britain Launches 'Small and Mighty Enterprise Programme' to Support Small Businesses**

Small Business Britain is set to roll out its Small and Mighty Enterprise Programme, a six-week online course designed to help sole traders and micro businesses unlock growth opportunities.

The programme combines expert guidance, mentoring, and practical resources to equip participants with a twelve-month action plan to grow and flourish over the next year. Delivered entirely online, it offers flexible learning accessible from anywhere in the UK, making it suitable for business owners with busy schedules.

Key features of the programme include:

- Live weekly sessions recorded and available on a private Small Business Britain website available exclusively to participants.
- Weekly worksheets developed by each week's expert trainers to reinforce key learning outcomes.
- 1-2-1 and group mentoring, providing one hour of personalised guidance across the six weeks.
- Access to an exclusive community of peers and mentors for networking, advice, and sharing experiences.
- A personalised twelve-month Action Plan to guide business growth.

The course runs from 2 February to 9 March 2026, with sessions held every Monday at 10am.

Small business owners looking to develop their skills, expand their networks, and plan for growth can find more information and register via the [Small & Mighty Enterprise Programme Registration](#) page.

## **WorkWell to roll out across England**

A national expansion of WorkWell, a health-and-employment support service, is set to take place across England, following a successful pilot that helped more than 25,000 people stay in or return to work.

The programme aims to support up to 250,000 more people with health conditions, and forms part of the government's wider efforts to tackle long-term sickness absence and economic inactivity.

For employers, the key point is that WorkWell is designed as an early intervention service - stepping in before health issues lead to prolonged absence or an employee leaving work altogether.

Long-term sickness remains a significant issue for businesses. Around 2.8 million people are currently out of work due to long-term health conditions, and fit notes are issued more than 11 million times a year.

### How employees can access support

Participants in the programme can be referred through:

- Their employer.
- A GP.
- Jobcentre Plus.
- Local services.
- Self-referral.

Each participant receives personalised support from a Work and Health Coach. Services offered vary depending on location, but can include physiotherapy, mental health support, workplace adjustment advice for employers and ongoing health condition management.

Businesses may want to be aware of WorkWell as a referral option for staff struggling with health issues.

See: <https://www.gov.uk/government/news/expansion-of-support-scheme-to-help-thousands-of-people-back-into-work>

## **New programme launched to support investment in Scotland's cities**

A new initiative aimed at boosting investment across Scotland's cities and regions was launched last week as part of Scottish Cities Week 2026.

The Scotland Investment Acceleration Programme is a collaborative initiative between the UK government, TheCityUK and the Scottish Cities Alliance, aiming to support local authorities in attracting inward investment. The programme will run throughout 2026 and hopes to help unlock new opportunities and create jobs.

Activity will include teach-ins, workshops, webinars, technical sessions on investor expectations and project assessment criteria, guidance to help strengthen investment propositions, networking and peer learning forums, and support for showcasing opportunities and major investment events.

While local businesses are unlikely to end up dealing with the programme directly, it could be worth being aware of. There may be benefits over time in terms of more projects, more customers and a stronger local economy.

See: <https://www.gov.uk/government/news/uk-government-initiative-to-accelerate-investment-in-scotland>