

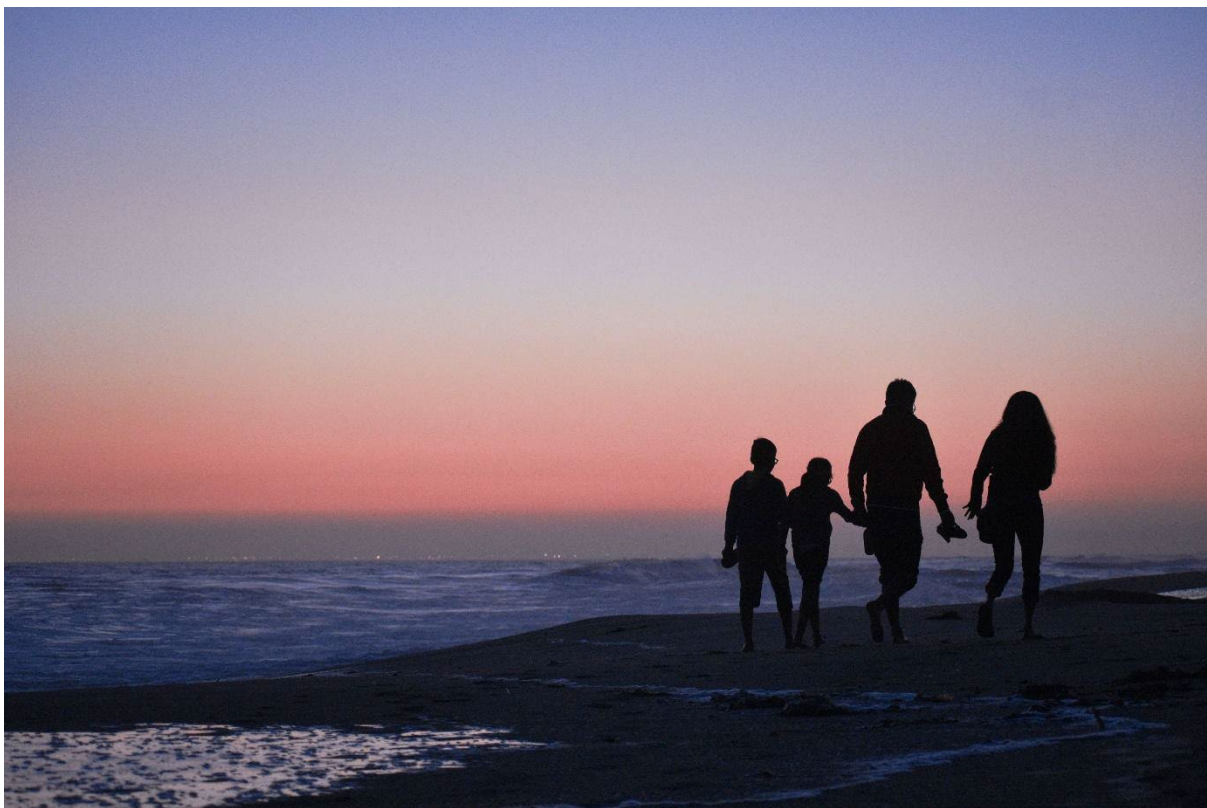
Written 5 September 2022

Business News

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!

Keep calm and focus on what's really important

With the constant news surrounding the energy crisis (and waiting for a new Prime Minister to see what the government will do about it), soaring interest rates and rising inflation, it's difficult not to worry and lose sight of what's really important – the health and welfare of you and your loved ones.



The crisis 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 worth remembering that this is the point. It is not the market driving the crisis, it is geopolitics, diplomacy and conflict. On an individual level, this situation is not within our control. So what can we do to keep rational whilst this crisis unfolds?

It is worth recalling 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. So take time to set some long-term goals to give you a sense of 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 of your busy schedule 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 around!
- 2 Look at where the business is now – its strengths, weaknesses, opportunities and threats, and understand 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 will 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 2022 figures and allows you to work out the effect on profit of reducing expenses, increasing sales, and increasing or decreasing prices.

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

Companies House to introduce a new WebFiling account

Companies House will soon be introducing a new WebFiling account that will have more functionality with improved security features. It is the first step in creating a single sign-in across all Companies House services.

The benefits of the new WebFiling account include:

- Multi-factor authentication.
- The ability to link your company to your WebFiling account to give you more control over your filings.
- The ability to digitally authorise people to file on your behalf on WebFiling, and to remove authorisation.
- The ability to easily see who is digitally authorised to file for your company.
- An option to sign up for emails to help you with the running of your company.

Once you've linked your company to your account, you will no longer need to enter an authentication code every time you file online.

If you own or file on behalf of more than one company, you will be able to manage all your companies from one account.

Once the new account is introduced, you will also be able to digitally authorise yourself and other directors to file for your new company as part of the online incorporation process.

See: [Companies House will soon be introducing a new WebFiling account - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/companies-house-will-soon-be-introducing-a-new-webfiling-account)

Businesses advised to plan around the expected Royal Mail strike

If you use Royal Mail to deliver your goods, you should be aware of the planned industrial action that is due to take place on:

- Thursday 8 September
- Friday 9 September

Royal Mail's services will be affected by delays to mail posted the day before, during, or in the days after any strike action.

Royal Mail has contingency plans, but they cannot fully replace the daily efforts of its frontline workforce. They say that they will be doing what they can to keep services running, but customers should expect significant disruption.

On days when strike action is taking place, they say they will:

- Deliver as many Special Delivery and Tracked24 parcels as possible.
- Prioritise the delivery of COVID test kits and medical prescriptions, wherever possible.
- Not be delivering letters (with the exception of Special Delivery).

To avoid disruption to your business, it is advised to:

- Post your items as early as possible in advance of the strike dates.
- Continue to post your items at postboxes or post offices, however, collections will be less frequent on days when strike action is taking place.

See: [Royal Mail strike updates | Royal Mail Group Ltd](https://www.royalmail.com/news/updates)

Plastic packaging tax update

Businesses of any size and type must register for Plastic Packaging Tax if they expect to manufacture or import 10 or more tonnes of plastic packaging in the next 30 days, or if they have manufactured or imported 10 or more tonnes of plastic packaging since 1 April 2022.

HMRC have developed some useful resources to help businesses understand their requirements for Plastic Packaging Tax.

The latest guidance from HMRC on Plastic Packaging Tax includes:

- Help for manufacturers and importers to [decide if they need to register for Plastic Packaging Tax](#).
- Details on what to include when [completing a Plastic Packaging Tax return](#).
- [Examples of packaging in and out of scope of PPT](#).

You can [watch recordings of past HMRC Plastic Packaging Tax webinars](#).

Timestamps will help you navigate to your area of interest within each of the webinar recordings.

For a reminder of the steps to take and all return and payment dates for Plastic Packaging Tax in 2022-23, you can read the HMRC Plastic Packaging Tax flyer: [Get ready to submit your Plastic Packaging Tax return](#)

See: [Check when you must register for Plastic Packaging Tax - GOV.UK \(www.gov.uk\)](#)

HMRC issues warning to contractors about the use of umbrella companies

“Umbrella” companies are often set up by employment agencies to supply workers to end user clients. Many of these are compliant with the tax rules, but some use contrived arrangements that claim to allow agency workers and contractors to pay less tax on their earnings. HMRC have successfully challenged many of these arrangements.

HMRC view these arrangements as tax avoidance schemes that use disguised remuneration arrangements to pay the workers. The umbrella company might claim that a payment is non-taxable to try to avoid paying National Insurance contributions (NICs) - currently 15.05% for employers. The arrangements also purport to avoid employee NICs – currently 13.25% between £12,570 and £50,270 a year.

Using these non-compliant umbrella companies could leave the workers at risk of being involved in a tax avoidance scheme and owing HMRC the tax and NICs that should have been deducted.

Under PAYE regulations, employers have an obligation to deduct tax and NICs from employment income on workers’ behalf. However, where this does not happen, HMRC may recover the tax directly from the worker.

For updated HMRC guidance see: [Warning for agency workers and contractors employed by umbrella companies \(Spotlight 60\) - GOV.UK \(www.gov.uk\)](#)

New trading scheme to cut tariffs on everyday products

The Developing Countries Trading Scheme (DCTS) has been introduced to help UK businesses access products from around the globe at lower prices, with the aim of reducing costs for UK consumers.

The UK Government launched the DCTS in addition to the products that developing countries can already export to the UK duty-free, and could now mean that 99% of goods imported from Africa under the scheme will enter the UK duty-free.

The scheme means that a wide variety of products - from clothes and shoes to foods that aren't widely produced in the UK, like olive oil and tomatoes – will benefit from lower or zero tariffs.

The UK Government says that the DCTS will ensure that British businesses can benefit from more than £750 million per year of reduced import costs, leading to more choice and lower costs for UK consumers.

See: [New trading scheme cuts tariffs on hundreds of everyday products - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/new-trading-scheme-cuts-tariffs-on-hundreds-of-everyday-products)

Sustainable Fashion Week 2022

Sustainable Fashion Week (SFW) is a week of community activity, gathering people together to inspire, upskill and empower the community to make sustainable fashion choices.

The Charity Retail Association (CRA) is sponsoring Sustainable Fashion Week, held from the 16th to the 25th of September 2022, with community events happening from the 19th to the 25th. You can host your event at any time during this period.

The four themes of the week's activities are:

- Re-wear
- Repurpose
- Regenerate
- Reconnect

Each theme has calls to action that support a turn towards sustainability and away from “fast fashion”.

UK charity shops divert 339,000 tonnes of textiles from landfills or incineration and encourage reuse at the heart of communities on our high streets. A rise in sustainable fashion influencers, ethical consumers and savvy charity shop chains has raised the profile of the sector and helped it to be stronger than ever – despite Covid and lockdowns. This makes for the perfect pairing for raising fashion sustainability awareness further, encouraging the public to think about who makes their clothes and how they are made, and how they can be mended or repurposed instead of discarded.

SFW involves a packed programme of skills workshops and creative events. SFW want CRA members to be part of this community movement by hosting their own event. Small or large, SFW invites you to collaborate with them and empower the community around you.

See: [Sustainable Fashion Week](#)

Last chance to enter the Queen's Awards for Enterprise 2023

The Queen's Awards for Enterprise are for outstanding achievement by UK businesses in the categories of:

- Innovation
- International trade
- Sustainable development
- Promoting opportunity through social mobility

Winners have reported benefiting from worldwide recognition, increased commercial value, greater press coverage and a boost to staff morale. The closing date for applications is 6 September 2022.

See: [The Queen's Awards for Enterprise: About the awards - GOV.UK \(www.gov.uk\)](#)

Museums and galleries are urged to sign up for a VAT refund to support free entry to the public

Museums and galleries are being urged to apply for VAT refunds to support opening free of charge as part of plans to boost visitor numbers and give more people access to arts and culture.

Any museum and gallery open to the public free of charge for 30 hours a week can apply. It will help organisations boost their finances and open up their collections more regularly.

The VAT Refund Scheme, which has been running since 2001, was last open to new applicants in 2018/19 and is estimated to have refunded up to £1 billion to museums and galleries so far.

See: [Museums and galleries urged to sign up for VAT refund to support free entry for the public - GOV.UK \(www.gov.uk\)](#)

Tax breaks for locating your business in a freeport area

HMRC have published detailed maps setting out the precise location of all 8 Freeport tax and customs sites in England with the latest update at the end of August. The original 8 locations were announced in the Spring 2021 Budget:

- East (Felixstowe and Harwich)
- East Midlands Airport
- Humber

- Liverpool City
- Plymouth and South Devon
- Solent
- Teeside
- Thames

More maps of Freeports customs sites and Freeport tax sites will be added after they are designated.

Businesses in these designated areas will be able to benefit from generous tax and customs duty reliefs including:

- An enhanced 10% rate of structures and buildings allowance.
- An enhanced capital allowance of 100% for plant and machinery.
- Full relief from Stamp Duty Land Tax.
- Business rates relief.
- Relief from employer National Insurance contributions where employees spend at least 60% of their time working in the designated area.

Businesses operating in the designated areas will be able to import goods into the Freeport customs sites with simplified customs documentation and they can also delay paying tariffs. Manufacturing businesses may then manufacture goods using these imports, before exporting them again using the simplified customs procedures without paying the tariffs.

For detailed maps see: [Maps of Freeports, Freeport customs sites and Freeport tax sites - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/671212/Maps_of_Freeports,_Freeport_customs_sites_and_Freeport_tax_sites_-_GOV.UK.pdf)