

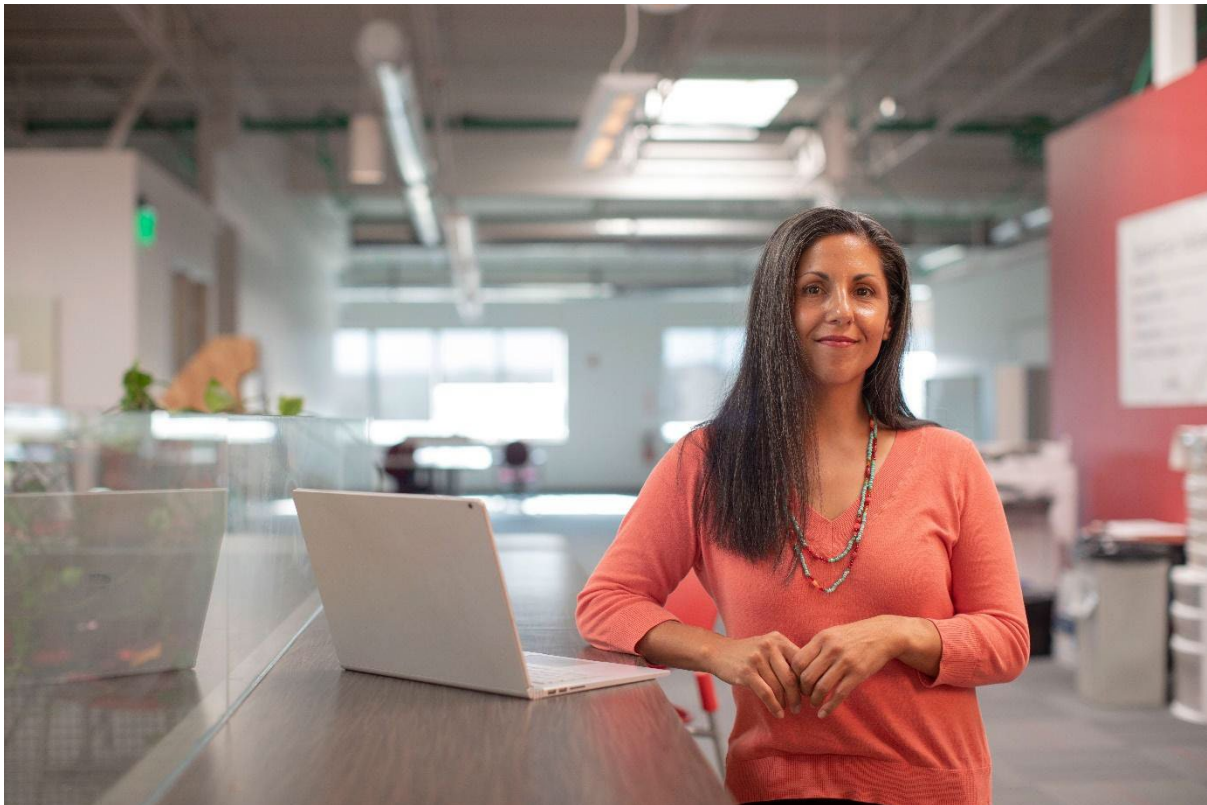
5 December 2022

## **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!

### **Thinking long term is a key business strategy**

We were finally getting over the financial crisis when Covid struck. Then, in the trough of the worst economic downturn in 300 years, we discovered that recovery was driving the FTSE to new heights and the job market into a frenzy. In the wake of that, it became clear that the recovery was overheating and that we are now facing a period of rising inflation and industrial action.



Russia's war in Ukraine has made things worse. It has not only meant human suffering – it has affected the entire global economy, driving up the cost of food and energy. It adds to the hardship for those on low incomes and means serious food security risks in the world's poorest economies.

The economy has always had its ups and downs, but its resemblance to a roller coaster is currently more marked than ever.

Businesses of every size face challenges that are now suppressing growth. A business might have a great product or service, but without a strategic plan to help it define, articulate and communicate where it is going, it will be at the mercy of outside

events. We encourage our clients to take some time to think long-term about their business and to establish goals or targets that you can control.

A plan starts with identifying and accessing opportunities within your market and should address how your business is going to evolve to meet the challenges of today and the future. The plan gives your business purpose and answers questions about your long-term goals.

The first step is to look at five important areas:

1. Think long term – invest time in understanding where the market is going and what this means for your customers. Short-term decisions do not help grow a business.
2. Having a good value proposition is essential – this states the relevance of your product or service, what it does and why customers need it. What is yours?
3. Expand your reach – who is your target customer and what do you need to do to let them know you exist and that your product or service is relevant to them?
4. Growth means new people, systems and (maybe) different ways of doing things. Grow at a pace you can manage.
5. How will your marketing get your value proposition to relevant customers?

Once you have taken time to write your plan and decide where you want your business to be in (say) 2 years, the next step is to work out a marketing programme with actions to make it happen.

A marketing plan is a business document outlining your marketing strategy and tactics. It is often focused on a specific period of time (i.e. over the next 12 months) and covers a variety of marketing-related details, such as costs, goals, and action steps. But like your business plan, a marketing plan is not a static document. The plan should outline:

1. How you are going to keep existing customers happy and returning to buy more often.
2. What the goals are for getting new customers.
3. The marketing methods you are going to use to achieve 1 and 2.

We specialise in helping our clients manage their businesses. We do this by preparing and updating detailed forecasts, using the latest and most powerful software.

Please talk to us about strategic planning. We can help with a template so you can do this yourself or work together to produce estimates for various scenarios and help you take control of your business!

## Bills and Notes Guarantee

UK Export Finance has launched a new product to help support SMEs through challenging market conditions.

The new [Bills and Notes](#) product is now open to guarantee payments by overseas buyers. The product will be available to more financial institutions with a simpler, more streamlined process.

Bills and Notes are a standard method of payment where money is due under bills of exchange or promissory notes. UKEF has now improved its offer to enable overseas buyers of UK goods to benefit from extended payment terms structured using these methods.

Simply put, it means that small UK businesses can get paid more quickly and easily for their exports.

See: [Bills and Notes Guarantee - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/bills-and-notes-guarantee)

## HMRC reduce advisory fuel rate for petrol company cars

HMRC has announced their suggested reimbursement rates for employees' private mileage using their company car from 1 December 2022, which are summarized in the table below. The rates have been reduced in line with the recent fall in petrol prices. However, diesel prices remain the same and LPG reimbursement rates have increased.

Remember, that provided all private fuel is fully reimbursed by the employee/director, the fuel benefit does not apply.

Engine Size	Petrol	Diesel	LPG
1400cc or less	14p (15p)		10p (9p)
1600cc or less		14p	
1401cc to 2000cc	17p (18p)		12p (11p)
1601 to 2000cc		17p	
Over 2000cc	26p (27p)	22p	18p (17p)

Where the employer's policy is that they do not pay for any fuel for the company car, these are the amounts that can be reimbursed to the employee in respect of qualifying business journeys for the payments to be tax-free. Where there has been a change, the rate for the previous quarter is shown in brackets. You can 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 cars, the rate is now 8p per mile (previously 5p per mile).

### **Self-Assessment: don't forget to declare COVID-19 payments**

HMRC is reminding taxpayers that they must declare COVID-19 payments in their tax return for the 2021 to 2022 tax year.

These grants are taxable and should be declared on tax returns for the 2021 to 2022 tax year before the deadline on 31 January 2023.

The Self-Employment Income Support Scheme (SEISS) application and payment windows during the 2021 to 2022 tax year were:

- SEISS 4: 22 April 2021 to 1 June 2021
- SEISS 5: 29 July 2021 to 30 September 2021


SEISS is not the only COVID-19 support scheme that should be declared on tax returns. If taxpayers received other support payments during the 2021 to 2022 tax year, they may need to report this on their tax return if they are:

- Self-employed
- In a partnership
- A business

See: [Self Assessment: don't forget to declare COVID-19 payments - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/self-assessment-don-t-forget-to-declare-covid-19-payments)

### **Data protection employment practices: monitoring at work draft guidance**

The Information Commissioner's Office (ICO) is producing topic-specific guidance on employment practices and data protection. The ICO is releasing drafts of the different topic areas in stages and adding to the resource over time. A draft of the guidance on monitoring at work is now out for public consultation.



## Consultation on the monitoring at work draft guidance

The draft guidance aims to provide practical guidance about monitoring workers in accordance with data protection legislation and to promote good practice.

The public consultation on the draft guidance and draft impact assessment will remain open until 11 January 2023.

See: [ICO consultation on the draft employment practices: monitoring at work guidance and draft impact assessment | ICO](#)

### **Artificial Intelligence for Decarbonisation Innovation Programme**

The Department for Business, Energy & Industrial Strategy (BEIS) has launched the Artificial Intelligence (AI) for Decarbonisation Innovation Programme. It will support the development of innovative artificial intelligence technologies for decarbonisation applications to support the transition to net zero.

The programme will also promote coordination and collaboration between AI and carbon-emitting sectors in the United Kingdom in order to maximise the economic and carbon benefits of AI solutions in solving our most critical decarbonisation challenges.

See: [Apply for the Artificial Intelligence for Decarbonisation Innovation Programme - GOV.UK \(www.gov.uk\)](#)

### **Resource efficiency for materials and manufacturing competition**

Innovate UK has launched a competition which will invest up to £1 million in innovation projects to improve resource efficiency. The aim of this competition is to support United Kingdom materials and manufacturing organisations to become more resource efficient. Simultaneous demonstrations of how UK materials and

manufacturing will become more resilient or technologically advanced are encouraged.

See: [Competition overview - Resource efficiency for materials and manufacturing \(REforMM\) - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

### **Circular fashion recycling and sorting demonstrator**

Innovate UK are to invest up to £4 million in an innovation project. This will be to develop and demonstrate closed-loop recycling for the fashion and textile sector at scale. This is the initial activity of a £15 million UK Research and Innovation Circular Fashion Programme.

The aim of this competition is to fund a research and development activity demonstrator. This will demonstrate new technologies, services, processes and business models capable of addressing the recycling and sorting challenges, as part of the UK's fashion and textile sector and their direct supply chains.

See: [Competition overview - UKRI Circular fashion programme: recycling and sorting demonstrator - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

### **Future flight skills gap competition**

The future flight challenge for Innovate UK will invest up to £500,000 in projects to close aviation industry skills gaps.

The aim of the competition is to create and deliver course content and materials that will support skills, talent and training across the future flight sector. The purpose of this is to build awareness of future flight emerging markets and fill key gaps in the United Kingdom's workforce talent and training capabilities.

Projects can deliver one or more of these objectives:

- Schools' engagement
- Apprenticeships and internships
- Upskilling and reskilling of existing workforce
- Technical courses and vocational training
- Undergraduate, postgraduate and continuing professional development (CPD)

See: [Competition overview - Future flight: closing the skills gaps - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](#)

## **Airlines, airports and passengers to have their say on independent aviation regulator**

The government has launched a [call for evidence](#) as part of its review of the Civil Aviation Authority (CAA), the UK's independent aviation regulator.

Open to all interested parties, it will provide an opportunity for anybody who uses the CAA or is affected by its work – including airlines, airports, pilots and passengers – to provide insight and evidence to inform the government review, on everything from the CAA's strategy to its organisation and performance.

The call for evidence will close on 22nd January 2023. It will ask questions such as whether the CAA has the right powers to effectively regulate the aviation market, whether its charges are good value for money and whether it is effectively structured.

See: [Airlines, airports, and passengers to have their say on independent aviation regulator - GOV.UK \(www.gov.uk\)](#)

## **Funding for the country's woodlands and timber industry**

Projects that tackle some of the greatest threats to trees and forests will get government funding, it was announced last week. This is alongside additional investment announced for local authority tree planting initiatives which will see hundreds of thousands of trees planted in communities across England.

The funding aims to drive long-term woodland creation efforts, create jobs, boost biodiversity and support innovative approaches to tree health and resilience, in the face of climate change and the mounting threat of pests and diseases.

Successful applicants include:

- The University of Lincoln's ISILDUR project, which will work with tree nurseries to address labour shortages in the forest nursery sector by developing an intelligent robotics solution for plant processing.
- The University of Cambridge's TIMBER project, which is designing and creating prototypes for new building materials to drive home-grown, low-carbon and long-lasting construction nationwide.
- Red Squirrel South West, which will be given funding to develop a management programme for invasive grey squirrels across a 35-mile stretch of native North Exmoor coastal woodland, helping to regenerate woodlands and supporting the reintroduction of native species like red squirrels.

The United Kingdom consumes 53 million tonnes of wood and wood products each year; however, 81% is imported from abroad. The major investment announced today will support projects developing new technologies and working practices to help homegrown timber production meet a greater proportion of domestic demand. This will help to improve timber security and grow the United Kingdom's forestry and

primary wood processing sectors, which support 30,000 jobs and contribute over £2 billion to our economy every year.

See: [Funding boost for country's woodlands and timber industry - GOV.UK](https://www.gov.uk/government/news/funding-boost-for-countrys-woodlands-and-timber-industry)  
([www.gov.uk](https://www.gov.uk))