

Written 1 August 2022

Business News England

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!

Rishi or Liz - Will there be tax changes?

With the departure of Boris Johnson, the two remaining contenders for the leader of the Conservative Party have started to outline their future policies. Former chancellor Rishi Sunak had stated that there would be tax cuts in the future, but only when inflation has been brought under control.

In a recent campaign shift, he vowed to cut the 5% VAT on household energy bills to help families with rising living costs.



Liz Truss has suggested that she would reverse the rise in National Insurance that came into effect in April, scrap a planned rise in corporation tax set to increase from 19% to 25% in 2023, and would suspend what is known as the “green levy” which is part of your energy bill that pays for social and green projects.

Regardless of who wins the contest, changes are on the horizon and it is an appropriate time to remind you that there are still opportunities to minimise your tax bill for this year. We would specifically suggest a tax planning meeting to review tax-saving opportunities such as pension planning and dividends to salaries strategies.

Some planning will be appropriate and some will not, but we think they are all worth exploring. Please contact us for further information. We will be delighted to discuss your options.

Do you have a marketing plan?

Successful businesses have two things in common – a thorough understanding of customer needs and a total dedication to their customers.



This involves the process of knowing:

- Who their customers are;
- Their customers' perception of the company and their needs; and
- How to attract them back time and time again.

The logic is that you gather information about your business and get an insight into the way customers and prospective customers think and make purchase decisions. So, take a day out to work on your marketing plan and set some targets.

By the end, you should be in a position to:

- Have gathered information about existing and potential customers' needs and wants;
- Have facilitated a discussion about the marketing actions the company should take;
- Know the unique selling points that this business has and how to take advantage of these;
- Understand how to differentiate the business from competitors; and
- Produce a marketing plan.

A marketing plan sets out how you are going to put your business strategy into practice. The marketing plan ensures that everyone in the business knows what you are trying to do and what they need to do to make it happen.

Please talk to us – we can provide you with a marketing template to get your thoughts into a plan so you can take action and grow your business!

HMRC getting heavy on R&D claims

HMRC have started writing letters to some companies that have been making claims for Research and Development (R&D) relief suggesting that they may be fraudulent. This is the result of the system being abused by some spurious claims, but the tone of the letter may alarm some recipients.

The HMRC Fraud Investigations Services unit has made the following statement

“We have recently seen some concerning claims. To prevent abuse of the Research & Development relief and protect legitimate customers, we have conducted additional checks. Where evidence leads us to believe that fraudulent claims may have been made, we will issue these letters which ask for more information to help verify the claims.

We have not written to R&D claimants accusing them of fraud. These letters state that we have not opened a criminal investigation into suspected fraud but reserve the right to do so.”

The letter invites recipients to get in touch with HMRC within 30 days if they believe their claim is genuine. It warns that anything a company might say to HMRC about their claim could be used as evidence in respect of any future criminal investigation.

Please contact us immediately if you receive such a letter.

The Ideas Marketplace

The Ideas Marketplace is an online networking collaboration platform where innovators can discuss, collaborate and share ideas with like-minded users. The goal is to overcome defence and security challenges and help deliver the next generation of defence and security tools and services.

It spans from helping innovators gain expertise and specialist support to develop technologies, to forming longstanding partnerships and finding new funding opportunities.

The Ideas Marketplace will help innovators to:

- Hear about funding opportunities from across the UK Government;
- Access exclusive competitions;
- Collaborate with other innovators to make ideas a success;
- Engage with industry leaders and learn more about the defence and security landscape; and
- Foster collaborative relationships and partnerships.

See: [Introducing the Ideas Marketplace - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/introducing-the-ideas-marketplace)

Placing manufactured goods on the market in Great Britain

If your company places goods on the market in Great Britain, you will need to follow new product marking rules from 1 January 2023.

Businesses are encouraged to be ready for full implementation of the new UK regime as soon as possible. However, to allow businesses time to adjust, CE-marked goods in the scope of this guidance that meet EU requirements (where these match UK requirements) can continue to be placed on the GB market until 31 December 2022. This includes goods which have been assessed by an EU recognised notified body.

See: [Placing manufactured goods on the market in Great Britain - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/placing-manufactured-goods-on-the-market-in-great-britain)

Consultation on Managing Fishing Quota in 2023 and Beyond

The Department for Environment, Food and Rural Affairs (Defra) has launched a consultation on Managing Quota in 2023 and Beyond.

The UK is now an independent coastal state with rights and duties under the United Nations Convention on the Law of the Sea to control and manage the resources in our waters. The UK has left the EU and the common fisheries policy and, over the coming years, Defra will reform how we manage our fisheries. This includes the freedom to negotiate with the EU and other coastal states for a fairer share of fishing opportunities. Defra has previously committed to exploring new methodologies for apportioning and allocating any additional quota that is negotiated by virtue of the UK's new independent status.

The Fisheries Act 2020 provides the legal framework for the distribution of quota and sets out the fisheries objectives we must achieve. Defra is working with the devolved administrations to develop the Joint Fisheries Statement. This will set out the policies for contributing to the achievement of these objectives. Alongside this, Defra is developing fisheries management plans to help deliver on those policies. As part of this, Defra wants to improve how they use quota.

In 2022, Defra will apportion and allocate quota using the same temporary methods that were used last year. This is expected to change in future years following this consultation.

In the consultation, Defra sets out options for future distribution of additional quota from 2023.

See: [Consultation on Managing Quota in 2023 and Beyond - Defra - Citizen Space](https://www.defra.gov.uk/consult/consultations/managing-fishing-quota-2023-and-beyond/)

Help to Grow: Digital Scheme expanded

The government scheme that cuts the price of leading software, boosting productivity and growth of UK small businesses, will now benefit even more firms. The Digital Scheme eligibility has been expanded to businesses with at least one employee, meaning up to 1.2 million businesses could benefit.

This means businesses can now access a £5,000 discount on 30 software solutions from 14 leading technology suppliers for eCommerce, Digital Accounting and Customer Relationship Management software.

Additionally, the government has announced that Help to Grow: Digital will support one-to-one advice for SMEs on how best they can adopt digital technology. The government will be launching applications for advice platforms to partner with the scheme from today, and the advice service will go live later this year.

See: [More than a million businesses now eligible for Help to Grow as software scheme receives a boost - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/more-than-a-million-businesses-now-eligible-for-help-to-grow-as-software-scheme-receives-a-boost)

Parents whose babies require neonatal care to receive paid leave under a new law

Thousands of parents whose babies require specialist care after birth will be able to take additional paid time off work, under new legislation backed by the government.

A baby who is born prematurely or sick will receive neonatal care in a hospital or another agreed care setting – often for a prolonged period of time. This can put parents in a difficult position of having to use their existing leave entitlements to be by their baby’s side, or worse, having to return to work while their baby is still receiving hospital care.

The Neonatal Care (Leave and Pay) Bill, introduced by Stuart C McDonald MP and backed by the government, will allow parents to take up to 12 weeks of paid leave, in addition to other leave entitlements such as maternity and paternity leave, so that they can spend more time with their baby at what is a hugely stressful time.

Once in law, neonatal care leave will be available to employees from their first day in a new job and will apply to parents of babies who are admitted into hospital up to the age of 28 days, and who have a continuous stay in hospital of 7 full days or more.

As many parents across the UK are facing a rising cost of living, today’s reforms will help ease future pressures on families whose children require neonatal care by ensuring they aren’t forced with the choice of taking unpaid leave or continuing working. As well as supporting families, it will also help employers who want to better support their staff.

See: [Parents whose babies require neonatal care to receive paid leave under new law backed by government - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/parents-whose-babies-require-neonatal-care-to-receive-paid-leave-under-new-law-backed-by-government)

Nuclear Fuel Fund

The Nuclear Fuel Fund will seek to award grants to projects that can increase the UK’s domestic nuclear fuel sector. The goal is to reduce the need for foreign imports and create the material used in nuclear power stations to generate electricity, with funding going towards designing and developing new facilities.

Up to £75 million in grants will be awarded to support the development costs of investments into new nuclear fuel capabilities in the UK, supporting a range of reactor types and sizes, including small and advanced modular reactors.

Government backing is there to encourage private sector co-investment into the projects and ensure the UK builds on its legacy of nuclear fuel innovation and production.

The government is asking parties to [register their interest](#) in bidding for funding and inviting further information on the sector’s investment needs. It is also inviting nuclear stakeholders who are not planning to bid for the fund to provide information from their experience that will help to mature the fund design ahead of opening the bid window in Autumn 2022.

See: [Government fund to accelerate nuclear fuel supply opens - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/government-fund-to-accelerate-nuclear-fuel-supply-opens)

New reforms making it unlawful for employers to withhold tips from staff

New legislation to make it unlawful for employers to withhold tips from staff means that customers will be certain that all tips go to hard-working employees. The Tipping Bill will benefit more than 2 million workers and, for the first time, will give them the right to see an employer's tipping record.

Despite most hospitality workers (many of whom earn the National Minimum Wage) relying on tips to top up their pay, there are still businesses that fail to pass on service charges from customers to their staff.

The Employment (Allocation of Tips) Bill will ensure that all tips go to staff by making it unlawful for businesses to hold back service charges from their employees.

See [Cash boost for millions of workers as government backs new law to ensure all staff keep their tips - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/cash-boost-for-millions-of-workers-as-government-backs-new-law-to-ensure-all-staff-keep-their-tips)

Women in Innovation Awards 2022/23: Briefing Event

Innovate UK's Women in Innovation Awards 2022/23 will open on 22 August 2022.

Pioneering women entrepreneurs will be awarded a cash injection of £50,000 each, as well as a bespoke package of business support, coaching and mentoring. Join the briefing event to learn more about the scope of this competition, the application process and the support available for applicants.

You will also have the opportunity to hear from inspiring leaders in business innovation and from past and current Women in Innovation award holders.

If you are a female founder, co-founder or senior decision maker working in a UK-based company, join the online webinar on 18 August 2022 to find out more.

See: [Women in Innovation Awards 2022/23 Briefing Event - Innovate UK KTN \(ktn-uk.org\)](https://www.ktn-uk.org/women-in-innovation-awards-2022-23-briefing-event)

Farming Futures R&D Fund: Sustainable farm-based protein, feasibility studies

UK registered organisations can apply for a share of up to £12.5 million across the two strands of this competition to develop innovative solutions for sustainable farm-based protein production. This funding is from the Farming Futures R&D Fund. The competition opened on 25 July and closes on 21 September 2022.

See: [Competition overview - Farming Futures R&D Fund: Sustainable farm-based protein, feasibility studies - Innovation Funding Service \(apply-for-innovation-funding.service.gov.uk\)](https://apply-for-innovation-funding.service.gov.uk/competition-overview)