11 April 2023

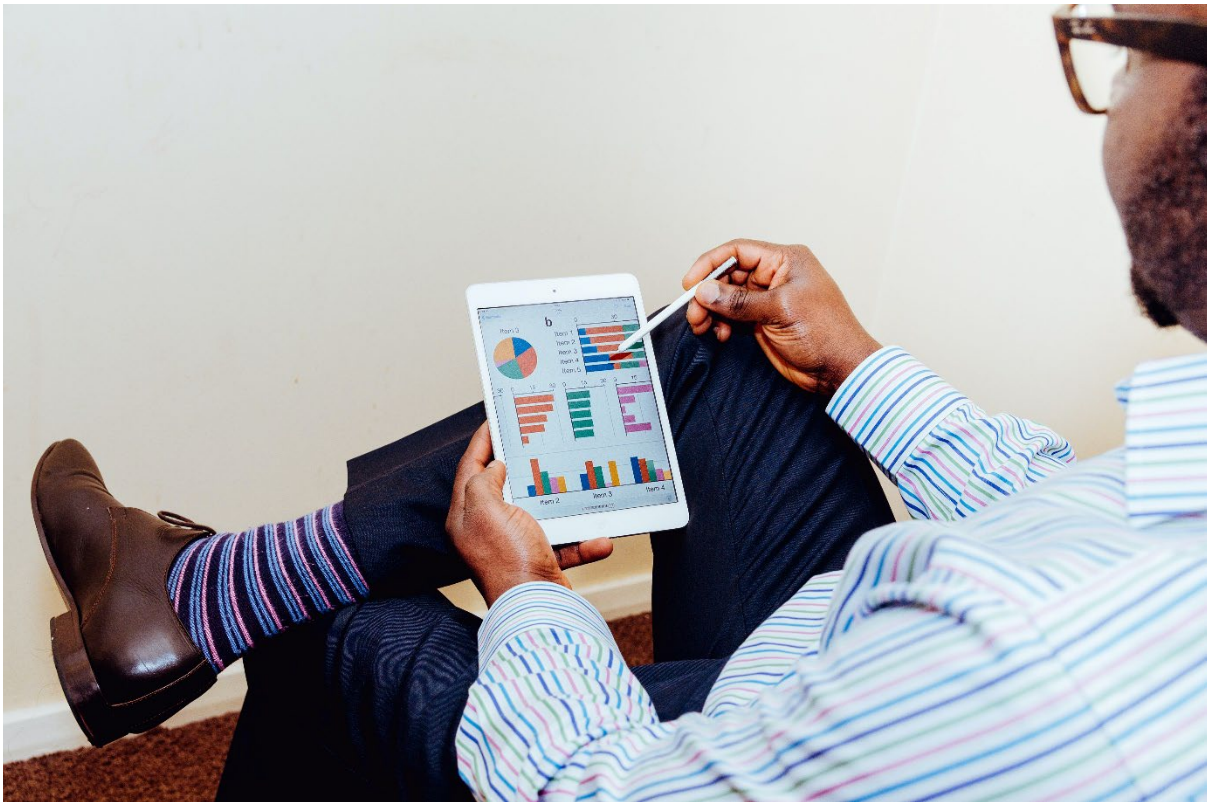
Business News

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!

Managing your cash flow

With increasing supplier prices and economic uncertainty, managing your business's cash and understanding the flow are now vital tools in maintaining resilience and being able to adopt flexible strategies for success.

Cash flows are a reflection of all the cash that is flowing in and out of a business. Owners can look at the direction of the cash flows for insights about the health of specific products or services and overall market patterns.



Some types of business are more likely to run into cash flow problems, while other types appear to be more resilient. If you are a business owner, you might be wondering which category your business falls into. No matter how inventive or simple your business model is, you can still have problems with cash flow. Here are our thoughts on managing the flow of cash in your business:

The first stage of understanding and predicting how funds flow is to perform a health check on your accounts. Look at your latest profit and loss statement and check that your income is sufficient to cover your expenses. If your profit is falling behind your expenses and cash flow is slowing down, you might need to take action. Prepare a funds flow statement so you know where the money goes.

Next create a yearly budget - look where cash could become tight and months where you can save to cover off the quieter times. Look at those quieter months and think about flexible work scheduling, new products or services, or other activities to tide you over.

Finally make sure you collect your money from those who owe you quickly. Set credit limits and payment terms to ensure customers follow the rules or reward customer loyalty by offering early bird discounts. If you take on new customers, make credit checks. Penalise late payers and request up front deposits or payment.

Talk to us about preparing a funds flow statement and annual budget so that you can work on your business for maximum success!

Energy Bills Discount Scheme for non-domestic customers

The Energy Bills Discount Scheme runs for 12 months from 1 April 2023 to 31 March 2024.

This scheme replaces the Energy Bill Relief Scheme which supported businesses and organisations between 1 October 2022 and 31 March 2023. The scheme is made up of 3 different parts:

1. The baseline discount will provide some support with energy bills for eligible non-domestic customers in Great Britain and Northern Ireland – this support will be applied automatically.

2. The Energy and Trade Intensive Industries (ETII) discount will provide a higher level of support to businesses and organisations in eligible sectors – you will need to register to get this support.

3. The Heat Network discount will provide a higher level of support to heat networks with domestic end consumers – you need to register to get this support.

Most eligible non-domestic customers receiving the baseline discount should expect to see it in their May bill.

See: Energy Bills Discount Scheme - GOV.UK (www.gov.uk)

Rates and thresholds for employers 2023 to 2024

Employers should be aware that from April 2023 several statutory payment rates increase for the 2023-24 financial year.

Statutory Maternity, Paternity, Shared Parental and Adoption Pay

From Sunday 2 April 2023, Statutory Maternity Pay, Statutory Paternity Pay, Statutory Shared Parental Pay, Statutory Adoption Pay and Statutory Bereavement Pay all increased from £156.66 to £172.48 per week.

Statutory Sick Pay

From Thursday 6 April 2023, Statutory Sick Pay increased from £99.35 to £109.40. The lower earnings limit remains at £123.

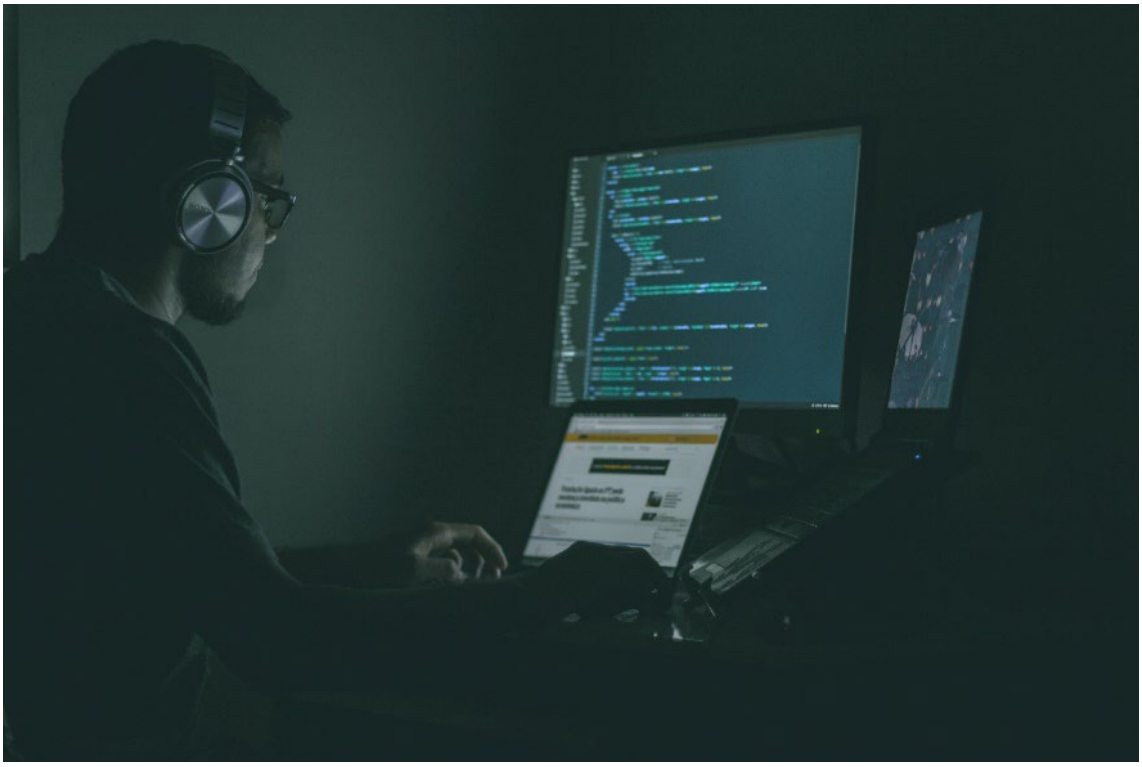
Statutory Redundancy Payment

From Thursday 6 April 2023, the Statutory Redundancy Payment was limited to £669 a week. The maximum Statutory Redundancy Payment payable is now £20,070.

See: [Rates and thresholds for employers 2023 to 2024 - GOV.UK (www.gov.uk)]

New tools available to help SMEs tackle cyber security issues

The National Cyber Security Centre (NCSC) has launched new online tools for small organisations to help find and fix any cyber security issues.



The NCSC unveiled the services to coincide with the latest phase of its Cyber Aware campaign, which is aiming to raise awareness of cyber security among the UK's small businesses, organisations, and sole traders.

With official statistics showing more than a third of small businesses suffered a cyber-attack last year, the NCSC urged them to make use of their Cyber Action Plan and Check Your Cyber Security tools.

The Cyber Action Plan can be completed online in under five minutes and results in tailored advice for businesses on how they can improve their cyber security.

Check your Cyber Security – which is accessible via the Action Plan – can be used by any small organisation including schools and charities and enables non-tech users to identify and fix cyber security issues within their businesses.

Small businesses are a common target for cyber criminals, with the government's last cyber breaches survey revealing that 38% of the UK's small businesses suffered a cyber incident over a 12-month period.

The range of attacks can vary widely, from business email compromise to denial of service and ransomware attacks.

See: Introduction - NCSC.GOV.UK

UK joins the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

Last week, the UK government announced that the UK will join the Indo-Pacific trade block, the CPTPP.

The agreement follows two years of negotiations by the Department for Business and Trade and the UK is the first European member and first new member since CPTPP was created. The CPTPP includes 11 Pacific nations: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam.

The bloc is home to more 500 million people and will be worth 15% of global GDP once the UK joins. It is estimated that joining will boost the UK economy by £1.8 billion in the long run, with wages also forecast to rise by £800 million compared to 2019 levels.

Being part of CPTPP could support jobs and economic growth across the country. More than 99 percent of UK goods exports to CPTPP countries will now be eligible for zero tariffs, including UK exports such as cheese, cars, chocolate, machinery, gin, and whisky.

Total UK exports to CPTPP countries were already worth £60.5 billion in the 12 months to the end of September 2022 and are set to grow under CPTPP. The services industry will also benefit from reduced red tape and greater access to growing Pacific markets with an appetite for high-quality UK products and services.

See: [UK strikes biggest trade deal since Brexit to join major free trade bloc in Indo-Pacific - GOV.UK (www.gov.uk)]

Coastal communities to receive funding for recreational sea fishing

Up to £1 million has been made available for coastal communities across the UK to invest in new and improved infrastructure for recreational sea fishing.

Eligible applicants will be able to bid for between £10,000 and £100,000 for projects to upgrade recreational fishing facilities, reduce carbon emissions, support the protection and recovery of the marine environment, and provide training to help recreational sea fishermen operate in a more sustainable way.

Recreational sea fishing involves fishing for the purposes of pleasure, tourism, or sport. With an estimated two million recreational sea anglers taking to the water every year, recreational sea fishing contributes over £800 million to the UK economy annually and boosts local economies through activities such as fishing tournaments, boat rental, bait and tackle supply, and local tourism.

Part of the £100 million UK Seafood Fund infrastructure scheme, this funding will ensure recreational fishing continues to prosper by backing projects which could enhance piers and harbours; create more accessible paths, floating walkways, and pontoon dockings; and promote fishing tournaments.

See: [Coastal communities to receive funding for recreational sea fishing - GOV.UK (www.gov.uk)]

Draft Code of Practice on dismissal and re-engagement

With a planned statutory code of practice, the UK Government aims to protect employees and crack down on employers that use controversial dismissal tactics.

The code, subject to a consultation first, will make it clear to employers that they must not use threats of dismissal to pressurise employees into accepting new terms, and that they should have honest and open-minded discussions with their employees and representatives.

This new statutory code of practice will set out employers’ responsibilities when seeking to change contractual terms and conditions of employment, including that businesses must consult with employees in a fair and transparent way when proposing changes to their employment terms.

See: [Government cracks down on ‘fire and rehire’ practices - GOV.UK (www.gov.uk)]

The Goldman Sachs 10,000 Small Businesses UK programme

The programme is designed to provide high-quality, practical education and business support to leaders of high-growth small businesses and social enterprises across the UK.

Participants of the programme will benefit from:

- specialist workshops,
- one-on-one business advising,
- business coaching,
- access to professional experts,
- networking opportunities, and
- a network of graduates.

The closing date for applications is spring 2023, interviews will be held summer 2023 and the programme will begin autumn 2023.

See: Goldman Sachs | United Kingdom

Feasibility studies for Artificial Intelligence solutions

Innovate UK, part of UK Research and Innovation, is investing up to £5 million in innovation projects to deliver feasibility studies around Artificial Intelligence (AI). Funding for this opportunity is subject to business case approval by the Department for Science Innovation and Technology (DSIT) and HM Treasury.

The funding will be to develop AI and Machine Learning (ML) driven solutions that address a business challenge or opportunity in target industry sectors:

- construction,
- transport, including logistics and warehousing,
- creative industries, and
- agriculture and food processing.

The aim of this competition is to support innovative projects prompted by a challenge to business in an area of operations that can drive improvements in business productivity.

This competition supports the Government's goals in the National AI Strategy in the transition to an AI-enabled economy through wider AI adoption across sectors.

Your proposal must:

- address a business challenge in construction, transport including logistics and warehousing, creative industries or agriculture and food processing; and

- demonstrate an increase in business productivity.

Your project’s grant funding request must be between £25,000 and £50,000.

See: Competition overview - Feasibility studies for Artificial Intelligence solutions - Innovation Funding Service (apply-for-innovation-funding.service.gov.uk)

Companies House Direct and WebCHeck are closing

Companies House (CH) has confirmed that Companies House Direct (CHD) and WebCHeck are closing on the 30 November 2023.

Users should use the Find and update company information service instead.

Current features include:

- advanced company search,
- dissolved company search,
- company snapshot reports,
- alphabetical search, and
- ordering facility for certificates, certified documents and missing images.

The Find and update company information service is a fully accessible service and has already replaced most of the functionality provided by CHD and WebCHeck.

All records of companies dissolved since January 2010 are available on the Find and update company information service. CH are continuing to keep records of dissolved companies for 20 years from the date of dissolution, and their long-term intention is to make all these records available for free on the Find and update company information service.

See: Companies House Direct and WebCHeck are closing - GOV.UK (www.gov.uk)

Changes to reporting material discrepancies to Companies House

From 1 April 2023, the way obliged entities can report a material discrepancy has changed.

An obliged entity is one which must carry out due diligence checks under anti-money laundering regulations. Obliged entities include, amongst others, financial and credit institutions, independent legal professionals, and estate agents.

Obliged entities carry out due diligence checks on companies under anti-money laundering regulations. They must report differences between the information they gather, and the information held at Companies House.

Specifically, obliged entities must report differences in information about:

- people with significant control (PSC) of a company,

- PSCs of a limited liability partnership (LLP),
- PSCs of an eligible Scottish partnership, and
- the registrable beneficial owner of an overseas entity (from 1 April 2023).

This difference is called a material discrepancy.

See: Changes to reporting material discrepancies to Companies House - GOV.UK (www.gov.uk)

Smart Manufacturing Data Hub set to support Manufacturing SMEs

Smart Manufacturing Data Hub (SMDH), led by Ulster University, aims to support 10,000 UK manufacturing SMEs to uptake, learn, and implement digital transformation technology in their factories through a range of support initiatives and funding measures. The programme is supported by £50 million of funding under the Made Smarter Initiative from Innovate UK.

Support for SMEs will include education and expert advice on digitalisation pathways, implementation of data driven technology, and funding to help manufacturing SMEs reach their digital transformation goals.

SMDH offers unique opportunities for SMEs to access data expertise that will aim to save SMEs time and money, predict breakdowns, and protect the environment, among other benefits.

See: Team (smdh.uk)

Driver Certificate of Professional Competence (DCPC) changes

This consultation seeks views on proposed changes to the Driver Certificate of Professional Competence (DCPC). If these changes are implemented, they will only apply to drivers completing journeys within Great Britain, and Northern Ireland if authorities there agree, as DCPC is a devolved matter.

Drivers wishing to drive to, from, or within the EU will still need to comply with the existing requirements due to arrangements within the UK/EU Trade and Cooperation Agreement (TCA), as well as other relevant UK international obligations.

Proposed changes will therefore create 2 parallel qualifications for driving in GB and, potentially, NI:

- a national DCPC (N-DCPC) – the subject of this consultation, and
- an international DCPC (I-DCPC) – the existing TCA-compliant regime.

See: Driver Certificate of Professional Competence (DCPC) changes - GOV.UK (www.gov.uk)

Campaign launched to reduce farm vehicle deaths and injuries

Agriculture has the worst rate of deaths and injuries (per 100,000 workers) of all sectors in Great Britain.

Incidents involving vehicles are the number one cause of deaths on British farms, killing 48 people in the past 5 years.

The Health and Safety Executive (HSE) has launched the 'Work Right Agriculture. Your farm. Your future' campaign. It highlights simple vehicle safety advice to help keep everyone on the farm safe.

HSE want to make 2023 a safer year on farms by working together. When you start your daily routine today, follow the 'safe farm, safe driver, safe vehicle' advice to help you plan the job and complete it safely.

See: Work Right Agriculture - Work Right to keep Britain safe

Non-domestic rating list for England and Wales, 2023 Revaluation

The non-domestic rating list and official statistics have been published for the 2023 revaluation.

The rating list sets out all rateable values for non-domestic properties in England and Wales. It is used by local authorities to help determine business rates. Note that your rateable value isn't the same as your business rates bill.

The official statistics for Revaluation 2023 have been updated. They show the changes in rateable values of all non-domestic properties since the last revaluation in 2017.

The publication of the 2023 non-domestic rating list means that the 2017 list has now closed. There are only limited circumstances in which changes may be made to your previous rateable value.

Read more about the closure of the 2017 list.

You are now able to check the information used for your valuation in the 2023 list and tell the Valuation Office Agency (VOA) if anything is wrong. This is called a Check.

You can also challenge your new rateable value if you think it is too high.

See: 2023 rating list is now live - GOV.UK (www.gov.uk)

Changes to business rates rules for self-catering properties

From April 2023, new eligibility rules for business rates will apply to self-catering properties in England and Wales. If you don't meet these rules, your property will become eligible for paying Council Tax. The rules will be used in assessments from

1 April 2023. Information about lettings during the 2022/23 operating year will be used to determine whether a property is eligible.

The new eligibility rules are different depending on whether your property is in England or Wales.

If your property is in England:

To continue to be eligible for business rates, from 1 April 2023 your property must be:

- available for letting commercially for short periods that total 140 nights or more in the previous and current year; and
- actually let commercially for 70 nights or more in the previous 12 months.

If your property is in Wales:

To continue to be eligible for business rates, from 1 April 2023 your property must be:

- available to let commercially for short periods that total 252 nights or more in the previous and current year; and
- actually let commercially for 182 nights or more in the previous 12 months.

The VOA looks at whether the property was occupied immediately before midnight to establish whether a property was let on a certain night.

For example, this means that a property let out from Friday evening to Sunday morning would have been let for two nights for the purposes of meeting the self-catering criteria.

See: Changes to business rates rules for self-catering properties - GOV.UK (www.gov.uk)

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