2 December 2024

BUSINESS NEWS - ENGLAND

Welcome to our round up of the latest business news for our clients. Please do contact Cognitor Accountancy if you want to talk with us about how these updates may affect your business. We are here to support you!

Protecting charities: New guidance on fraud and cyber crime



With last week being Charity Fraud Awareness Week, the Charity Commission has unveiled updated guidance to help trustees protect their charities from fraud and cyber-crime. This follows the regulator revealing that it opened 603 cases related to fraud and 99 cases involving cyber-crime in the past year.

Simplified and focused guidance

The newly launched resources include:

1. Fraud guidance:
    - Explains what trustees should do if fraud or attempted fraud occurs.
    - Provides practical tips to mitigate fraud risks, such as implementing robust internal financial controls.
2. Cyber-crime guidance:
    - Focuses on common threats, such as phishing, which the Commission has identified as the most frequent cyber-enabled fraud targeting charities.
    - Emphasises creating an internal culture of fraud and cyber-crime awareness.

Both guides replace older, more complex versions and were developed in collaboration with the National Cyber Security Centre (NCSC).

Mazeda Alam, Head of Guidance & Practice at the Charity Commission, encouraged trustees to take proactive measures: “Protecting your charity from fraud and cyber-crime can understandably seem daunting, but there are many small, inexpensive steps charities can take to reduce the risk of any potential internal or external fraudster being successful.”

He continued by saying that introducing even simple measures, such as requiring dual authorisation for financial transactions, can significantly reduce risks.

Importance of reporting

The guidance also highlights the need to report all fraud attempts—successful or not—to Action Fraud. This ensures accurate data on how fraud affects the charity sector and provides trustees with necessary support.

The updated resources aim to equip charities of all sizes with the tools to enhance their security. If you are a trustee, you will likely find it helpful to review the guidance and adopt preventative measures to safeguard your charity's assets and reputation.

If you would like any help with charity financial matters, **please contact us** and we would be happy to help you.

See: https://www.gov.uk/government/news/regulator-refreshes-guidance-as-it-reveals-600-cases-related-to-fraud-in-the-last-year

Be wary of Self Assessment scams



HM Revenue and Customs (HMRC) have issued a reminder to be careful about scam attempts that target people filing Self Assessment tax returns. In the last year, nearly 150,000 scam attempts were referred to HMRC, a 16.7% increase on last year. With the 31 January 2025 filing deadline approaching, fraudsters are likely to step up their activities.

HMRC reports that around half of all scam reports in the last year were fake tax rebate claims. Fraudsters are usually aiming to get hold of personal information and banking details.

If you receive an email, text or phone call from someone claiming to be from HMRC that asks you for personal information or offers you a tax rebate, there is a useful checklist here that can help you identify a scam.

It is helpful to know that HMRC will never leave voicemails threatening legal action or arrest. Neither will they ask for personal or financial information over text message.

HMRC also will not contact you by email, text, or phone to announce a refund or ask you to request one.

If you have been contacted by someone claiming to be from HMRC and feel unsure whether it is a scam, or you would like to check whether you are due a tax refund, **call us at any time** and we would be happy to help you.

https://www.gov.uk/government/news/scams-warning-as-self-assessment-deadline-loom

Get Britain Working White Paper: Reforms to employment support announced

The government has unveiled some significant reforms to employment support, underpinned by a £240 million investment. The measures aim to address deep-rooted issues of unemployment, economic inactivity, and barriers to work, as detailed in the newly published Get Britain Working White Paper.

Figures quoted in the government's announcement made for sobering reading. 1.5 million are unemployed, 9 million are economically inactive, and a record 2.8 million are out of work due to long-term illness. Young people, in particular, are disproportionately affected, with one in eight not in education, employment, or training.



The UK is apparently the only major economy that has seen its employment rate fall over the last five years. The government has attributed the reason for the decline to an increase in long-term ill health, and an employment support system that is outdated.

Therefore, the White Paper is highlighting the need for a fundamentally different approach to employment, health, and skills support to revitalise Britain's workforce.

What are the key reforms being proposed?

3. **Revamping jobcentres**: These will be transformed into a new "national jobs and careers service". This overhaul will focus on developing people's skills and careers rather than simply monitoring benefits.

4. **Tackling economic inactivity from ill health**: Health-related issues, which are considered to be a major driver of inactivity, will be addressed through employing extra NHS staff in 20 areas that have high inactivity so as to cut waiting list times. Mental health support will also be expanded.

5. **A new "Youth Guarantee"**: Every 18-to-21-year-old will have access to an apprenticeship, quality training and education opportunities. The current Apprenticeship Levy will be replaced by a more flexible Growth and Skills Levy. Eight youth "trailblazer" areas are to be set up, including in Liverpool, Tees Valley and the East Midlands to help young people in those areas find education, training or work.

6. **Supporting people with disabilities and health conditions**: An independent review will be launched into the role of UK employers in promoting health and inclusive workplaces. It will look at what more can be done to enable employers to increase the recruitment and retention of disabled people and those with a health condition. It will also explore early intervention for sickness absence and what may help increase returns to work.

7. **Empowering local communities**: Local leaders, including mayors and councils, in areas of England that are not getting a trailblazer will receive up to £15 million to develop their own plans.

How will the reforms affect you?

Based on the changes being proposed, we may begin to see new measures introduced into employer's obligations towards long-term sickness.

Over the longer term, if these initiatives result in more younger people receiving more training, then this may increase the number of skilled people available for hire. This could alleviate the difficulty some businesses are finding in locating suitably qualified staff.

To review the White Paper, see: https://www.gov.uk/government/publications/get-britain-working-white-paper

New Homebuilding Skills Hubs to try and address UK construction challenges

5,000 additional construction apprenticeship places are to be made available annually as part of a £140 million initiative aimed at addressing workforce shortages and meeting housebuilding targets.



Central to this plan is the establishment of 32 new Homebuilding Skills Hubs, which are designed to accelerate training.

What will the Homebuilding Skills Hubs offer?

The hubs, which will be purpose-built training centres, will aim to provide a fast-track route into key construction trades such as bricklaying, roofing, plastering, scaffolding, and carpentry. These centres will replicate realistic working environments, offering apprentices hands-on experience.

Notably, the fast-track apprenticeships available through these hubs can be completed in 12 to 18 months, which is significantly shorter than the traditional 24 to 30 months. This streamlined approach is intended to supply the industry with skilled workers more quickly and hopes to address labour shortages and boost housebuilding efforts.

The initiative is a collaborative effort involving the government, the Construction Industry Training Board (CITB), and the National House-Building Council (NHBC). Skills England will also play a key role in identifying areas most in need of construction workers.

Government and industry perspectives

Housing Minister Matthew Pennycook MP underlined the importance of a skilled workforce for meeting the government's housebuilding target. He said: "A skilled and efficient construction sector is essential to building 1.5 million new homes in this parliament."

Key industry figures have voiced support for the initiative. Roger Morton, Director of NHBC Training Hubs, highlighted the role of the hubs in addressing skill gaps: "Our £100 million investment in a national network of 12 NHBC Multi-Skills Training Hubs will train quality

apprentices and help shape the future of UK house building. Our intensive training will produce skilled tradespeople faster, equipping them to hit the ground running from day one."

Challenges and implications for the construction industry

While this initiative represents a significant investment in skills development, the construction sector continues to face several challenges:



- **Labour shortages**: With an ageing workforce and uncertainty around the availability of skilled workers post-Brexit, it remains to be seen whether these hubs can scale quickly enough to meet demand.
- **Economic uncertainty**: The broader economic environment, including inflation and interest rates, could impact housing demand and the ability of firms to invest in training and apprenticeships.
- **Implementation timeline**: With all hubs scheduled to be operational by 2028, there are questions about how quickly they will be able to make a significant contribution to immediate housing needs.

What's next?

Construction firms should monitor developments, particularly in areas where the hubs will be established. You could also consider how fast-track apprenticeships could be integrated into your workforce strategy.

See: https://www.gov.uk/government/news/new-skills-hubs-launched-to-get-britain-building

Addressing work-related ill health and injuries: Are there practical steps you can take?

The Health and Safety Executive's (HSE) recently released annual statistics for 2023/24 reveal the challenges being faced by employers in managing work-related ill health and injuries. Stress, depression, anxiety, and workplace injuries continue to be issues affecting the health and wellbeing of workforces.

Key insights from the report

- **Work-related ill health**: Around 1.7 million workers suffered from work-related ill health, with 776,000 cases attributed to stress, depression, or anxiety.
- **Workplace injuries**: 138 workers lost their lives to work-related accidents, and 604,000 sustained non-fatal injuries.
- **Economic costs**: Work-related ill health and injuries cost the economy £21.6 billion in 2022/23, with an estimated 33.7 million working days lost in 2023/24.

- **Trends**: The rate of work-related stress, depression, and anxiety remains higher than pre-pandemic levels, despite a decrease from 2022/23.

Practical measures employers can take

These figures highlight a dual responsibility for employers: safeguarding employees' physical health and addressing the increasing prevalence of work-related mental health challenges.

Here are some practical steps you might be able to take to help with these issues in your workplace.

1. Strengthen mental health support



Depending on the size of your workforce and the costs, you might be able to consider implementing an Employee Assistance Programme (EAP). These provide confidential counselling and mental health resources to employees.

More practically, you may be able to promote work-life balance policies that increase employee wellbeing and reduce stress. For instance, you could look at flexible working arrangements, consider how you monitor and react quickly when workloads become unreasonable, and consider whether you can do things to help staff take breaks that reduce stress.

Managers may also need training so that they can identify and support employees who are experiencing mental health challenges.

2. Enhance physical safety protocols

The HSE provides guides and risk assessments that can help you to identify workplace hazards and implement preventive measures. Make sure safety is not being left to chance and ensure that you have procedures in place to regularly review guidance, carry out risk assessments, and implement any adjustments needed.

Providing employees with regular training on safe practices tailored to their specific roles can also reduce safety-related problems.

Any tools and machinery used by your business should also meet modern safety standards to reduce accident risks. A program to regularly review alternatives to any dangerous equipment you use can also help.

3. Address the root causes of stress and anxiety

Stress and anxiety are often exacerbated by uncertainty and a lack of transparency. Therefore, look to see that there are open lines of dialogue between management and staff that can be used to address concerns and reduce uncertainties.

Heavy workloads can also cause stress and anxiety, particularly if workers feel that tasks are not distributed fairly. So, it may be good to consider: how is work allocated? How would you know if an employee felt that excessive demands were being placed on them.

4. **Proactively monitor and review**

   Look to see if there are any patterns in sick leave that might help you identify underlying issues. This will give you the opportunity to address them early.

   Ask your employees for their thoughts on safety and well-being. If they feel they can speak up about issues, you are more likely to be able to sort issues before they become a problem.

5. **Leverage technology**

   New technologies are appearing all the time. Implementing those that can reduce manual, high-risk tasks will minimise injury risks to your employees.

   E-learning and on-demand training is now widely available, and this can be used to provide training in a cost-effective way that reinforces safety awareness.

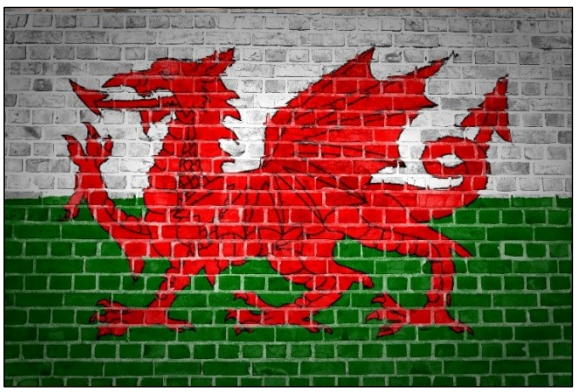
Looking ahead

HSE's Chief Executive Sarah Albon noted that while the UK has made significant strides in workplace safety over the past five decades, these statistics are a reminder of the need for continued vigilance and improvement.

Considering what practical steps you can take to ensure the safety and well-being of your employees could pay dividends. A healthy, safe, and supported workforce isn't just good for employees—it's a critical component of a productive, sustainable and profitable business.

See: https://press.hse.gov.uk/2024/11/20/hse-publishes-annual-work-related-ill-health-and-injury-statistics-for-2023-24

Will it cost more to visit Wales?



People staying overnight in Wales may soon have to pay a small charge in changes proposed by the Visitor Accommodation (Register and Levy) Etc. (Wales) Bill.

The levy would be set at 75p per person a night for hostels and campsite pitches. For all other accommodation types the levy will be £1.25 a person a night.

The decision on whether to set a levy or not will rest with the local authority for the area.

The legislation also includes a requirement to establish and maintain a register of visitor accommodation in Wales. A statutory registration scheme for all accommodation providers is expected to start operating in 2026.

The proceeds of the visitor levy will be used by the local authority to support local tourism activity and infrastructure.

See: https://www.gov.wales/legislation-introduced-to-support-a-thriving-sustainable-tourism-industry-in-wales

Deposit Return Scheme for drinks containers confirmed



The UK government has announced that it remains fully committed to a Deposit Return Scheme and expects to launch the scheme across England, Scotland and Northern Ireland in October 2027.

The UK government will be working with the Scottish government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland to bring about these changes.

The Welsh government has announced a delay in their applying a Deposit Return Scheme, as they look at options that will support already ongoing initiatives. Wales is ranked second in the world for recycling.

It is hoped that a Deposit Return Scheme will help to reduce littering of single-use containers, while also increasing recycling rates.

According to Keep Britain Tidy's 2020 composition analysis, 55% of litter by volume was plastic and metal drinks containers. There are 12 billion plastic drink containers and 14 billion cans on the market. So, improvements in recycling and litter disposal would make a significant difference.

The new scheme is also estimated to create around 4,000 new jobs across the UK.

The government intends to publish regulations shortly that will allow them to progress the Scheme, with its launch planned for October 2027.

See: https://www.gov.uk/government/publications/uk-government-update-deposit-return-scheme-for-drinks-containers/uk-government-update-deposit-return-scheme-for-drinks-containers

Please do contact us if you would like to talk about any of the articles. We are here to support you and your business!

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