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BUSINESS NEWS – Round up

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

What the New UK-EU Deal Could Mean for Your Business

The UK government has agreed a new trade deal with the European Union, aimed at making it easier to do business across the Channel. This follows recent agreements with the US and India and is being presented as part of a wider effort to support jobs and help businesses grow.



The EU is still the UK's biggest trading partner, but many businesses have faced added costs and delays since Brexit. This new deal intends to reduce some of that pressure.

What's changing?

A few of the key points include:

- **Simpler food and drink trade:** Some checks on food, plants and animal products will be removed. This should make it easier and quicker to move these goods between the UK and EU, including Northern Ireland. It may also lower costs for businesses and help keep prices down for consumers.
- **Support for British producers:** The deal allows UK food producers to sell certain items, like burgers and sausages, back into the EU – something that's been restricted since Brexit.
- **Steel industry boost:** UK steel exporters will avoid new EU charges under a special arrangement that the government says will save around £25 million a year.
- **Energy and emissions:** The UK and EU will link their systems for trading carbon allowances. This move could help UK companies avoid a new EU carbon tax due to come in next year.
- **Help for coastal businesses:** A 12-year agreement that extends fishing rules in UK waters for the EU has been agreed. There's also £360 million in funding promised for coastal communities, including money for new equipment and training.
- **Smoother travel:** UK holidaymakers will be able to use more fast-track eGates at EU airports. Pets will also be able to travel without needing extra certificates each time. Although freedom of movement is not returning, there are plans to let young people work and travel more freely under a future youth experience scheme.



What this may mean for your business

If your business trades with the EU – whether that's selling food, making goods, or moving products across borders – this deal could make life a bit easier. Fewer checks and less paperwork could help cut delays and bring down some of the added costs of cross-border trade.

It's worth noting that while the headlines have been announced, some of the details are still being worked out. You may want to keep your eye on how the changes are put into practice.

Looking ahead

This deal won't reverse all the changes brought in by Brexit, nor does it rejoin the UK to the EU's single market or customs union. But it may offer some relief if your business has had to struggle with new rules over the past few years.

If you trade with the EU, this could be a good time to review your processes. Alternatively, you could look at whether the changes could open up new opportunities for your business.

Whether because of the new trade deal or not, it is always a good time to look at ways to grow your business. If you need some ideas, [why not ask us](#) for your free copy of '57 Ways to Grow Your Business'. This is our guide to help you maintain profitability and strengthen your position in the market.

See: <https://www.gov.uk/government/news/pm-secures-new-agreement-with-eu-to-benefit-british-people>

Inflation Rises to 3.5% as Household Bills and Business Costs Increase



UK inflation rose to 3.5% in April, according to official figures, up from 2.6% in March and higher than many economists had expected. This is the highest annual rate in more than a year and comes at a time when both households and businesses are facing a mix of rising costs.

The increase was largely driven by higher water, gas and electricity bills, many of which rose on 1 April. Water and sewerage prices alone increased by over 26%, the sharpest rise

in nearly four decades. Airfare and holiday prices also jumped compared to last year, though that rise is expected to be temporary due to the timing of Easter.

For businesses, April also brought higher running costs, including the rise in the National Minimum Wage and an increase in employer National Insurance contributions, both of which are believed to have contributed to a rise in services inflation, which reached 5.4%.

Core inflation - which excludes volatile food and energy prices - also came in higher than expected, suggesting price pressures are more widespread than a few short-term changes.

The Bank of England's inflation target remains at 2%, and before April's figures, many were expecting two further interest rate cuts this year. However, some economists now believe only one may happen, with the Bank likely to take a more cautious approach.



In its last report, the Bank of England outlined its expectations that inflation would peak at 3.7% later this year before slowly easing. However, the Bank's Chief Economist, Huw Pill, recently said that he feared the momentum behind falling inflation had started to stutter.

For now, many businesses will need to manage the impact of higher wage and operating costs alongside ongoing uncertainty over interest rates and consumer confidence.

When costs are rising it is crucial to understand how they are likely to affect your business profitability. If you would like help in analysing your business costs and advice on how to maintain profitability, **please get in touch at any time**. We are here to help you! See:

<https://www.bbc.co.uk/news/articles/cx2xx4n1xx0o>

Are you thinking of starting a business?

If you're considering starting a business, there's a lot to think about - especially when it comes to finances, tax and compliance. From choosing the right structure (sole trader, partnership or limited



company) to registering with HM Revenue and Customs (HMRC), keeping proper records and understanding your tax responsibilities, it's important to get things right from the start. You may want to consider:

- When and how to register for VAT
- Setting up payroll if you'll be taking on staff
- Planning for Corporation Tax or Self Assessment
- Claiming allowable expenses
- Understanding what support and reliefs are available for new businesses

To help you navigate all of this, ask us for your free copy of our New Business Kit for 2025/26. This practical guide has been updated for the latest tax year and covers all the key financial, tax and accounting areas you need to consider when setting up a business. It's designed to give you a clear overview, with straightforward explanations to help you feel more confident in your decisions.

If you're in the early stages of planning - or even just testing an idea - it's a great place to start.

Please get in touch if you'd like a copy of the New Business Kit or to speak to us about your plans.

New Buy-Now, Pay-Later Rules Announced

From next year, Buy-Now, Pay-Later (BNPL) firms will need to work within a stricter regulatory framework. Following last year's consultation, the government has now laid legislation before Parliament to bring BNPL under formal regulation, aiming to end what's been called the "wild west" of unregulated borrowing.

BNPL refers to a type of interest-free instalment credit that allows the borrower to split their purchase cost into regular repayments within a 12-month period and in 12 or fewer instalments.

This type of credit is currently unregulated, which means the businesses offering them are not overseen by the Financial Conduct Authority (FCA), nor do they have to comply with the Consumer Credit Act 1974's requirements. Klarna, Clearpay and Paypal Pay in 3 are examples of third-party providers that many businesses partner with to provide a BNPL option at checkout to their online customers.



What's changing?

BNPL has grown rapidly in recent years, with millions now using it as a way to spread the cost of purchases. But concerns have grown around affordability, lack of clear terms, and delays in processing refunds. The new rules aim to change that by:

- Requiring affordability checks before people can borrow
- Ensuring clearer information upfront about what customers are signing up to
- Providing fairer and faster access to refunds
- Giving customers the right to complain to the Financial Ombudsman, as with other credit products



At the same time, the government is reforming the outdated Consumer Credit Act to remove outdated and confusing rules, with oversight of all credit types covered by the Act shifting to the Financial Conduct Authority (FCA). This move is expected to reduce red tape while strengthening consumer protections.

What does this mean for your business?

If your business uses a third-party BNPL provider, these changes will likely affect how those services are delivered and what your customers experience at checkout. Here's what to be aware of:

- **Process changes at checkout** – Third-party BNPL providers will need to carry out affordability checks before approving purchases. This could slightly affect the speed or flow of the checkout process, particularly for new users.
- **Customer communication** – Your customers will receive more detailed information about repayment terms and their rights before they complete a purchase. It will be worth making sure any information you include on your website outside of the checkout areas maintained by your BNPL provider is consistent, so that there are no surprises or confusion.
- **Refunds and returns** – The new rules aim to make refunds faster and fairer for customers using BNPL. You may need to work closely with your BNPL provider to ensure your return and refund policies support this.
- **Complaint handling** – Customers will now be able to escalate complaints about BNPL services to the Financial Ombudsman. While the BNPL provider will take the lead, good customer service from your side can help avoid issues being pushed further.

Overall, these changes aim to build trust in BNPL – and that could benefit businesses that use it as a flexible payment option to drive sales. Now is a good time to review how your BNPL partner operates and whether any changes are needed to keep up with the new rules.

See: <https://www.gov.uk/government/news/new-rules-to-end-buy-now-pay-later-wild-west-protect-millions-of-shoppers-and-drive-growth>



What Should You Do If You're the Victim of a Data Breach



There has been much media attention on the recent cyber-attacks affecting high street retailers. If you or your business is a customer of these businesses, you may have received communications alerting you to the fact that your data was included in the breach. If so, you may be wondering what you should do to protect yourself.

The National Cyber Security Centre (NCSC) have been highlighting their guidance on how to protect yourself from the impact of data breaches.

The guidance reviews what a data breach is and how you might be affected. It then details the actions to take following a breach, reporting suspicious messages and what to do if you've lost money.

What actions should you take following a breach?

The starting point is to confirm whether you've been affected. NCSC advise that you can contact the relevant organisation using their official website or social media channels. They stress that you shouldn't use links or contact details included in any messages you have been sent.

You may receive suspicious messages, even some time after the breach has been made public, so be alert. NCSC provide a list of tell-tale signs that can help you determine whether a message is fake. You should especially be cautious when being asked to provide personal information or to act urgently.

If you receive a message that contains a password that you've used in the past, NCSC advise that you don't panic. If you still use the password or use it on any other online accounts, you should change those straightaway.

You should also check your online accounts to make sure that they are not being accessed by someone who is unauthorised. Check the account's login records for unusual logins or login attempts. Look for changes in your security settings and messages or notifications that have been sent from the account that you don't recognise.

If you find an account has been accessed, then NCSC provide a step-by-step guide on [recovering a hacked account](#).

To review the [data breach guidance](#) in full, see the NCSC website.



Refunds Available for Incomplete Debt Relief Order Applications



The Insolvency Service has confirmed that approximately 4,000 individuals may still be entitled to refunds for payments made towards Debt Relief Order (DRO) applications that were not completed.

Prior to April 2024, individuals were required to pay a £90 when applying for a DRO. In some cases, the individual paid the fee but never finalised their application. The government scrapped the fee in April 2024 meaning that the Insolvency Service was left

holding around £500,000 for these incomplete applications.

As a result, the Insolvency Service is looking to refund these fees and since March 2025, around £65,000 has been refunded to applicants.

Letters have been sent to 5,000 people with 1,000 responding so far. A second round of letters is planned. However, if you feel you are due a refund for making a DRO payment but not submitting a DRO application, then you can contact the Insolvency Service directly without waiting for a letter.

Required information

The information you will need to provide includes:

The Debt Relief Order application number (if known)

- Your name
- Your address
- Your telephone number
- Your bank/building society name
- The name on your bank account
- Your bank account number
- Your bank sort code
- Your building society roll number (if applicable)

The Insolvency Service will compare the information provided against their records before releasing the refund.

If you would prefer to receive the refund by cheque, simply state this in your email or letter.

How to contact the Insolvency Service

You can email or write to the Insolvency Service with your details using the details below:

Email: dro.preorder@insolvency.gov.uk

Postal address: The Insolvency Service DRO Team, C/O Met Office, Fitzroy Road, Exeter, EX1 3PB

See: <https://www.gov.uk/government/news/refunds-still-available-for-4000-people-who-didnt-submit-their-debt-relief-order-application>



New Survey Aims to Gather Data on Dental Practice Costs

Dental practices in England are being invited to take part in a national survey on the costs of running a dental practice. The findings will be used to support the government's plans to reform the NHS dental contract and to inform the annual pay review process conducted by the Review Body on Doctors' and Dentists' Remuneration (DDRB).



The survey, which is open until 16 June 2025, is aimed at addressing challenges within NHS dentistry. According to the Department of Health and Social Care, the information collected will help provide a clearer picture of the financial pressures faced by dental practices

The government has already announced a range of measures designed to improve access to NHS dental care, including additional urgent appointments and a supervised toothbrushing programme for young children in deprived areas. It states that reform of the existing dental contract is a key part of its longer-term approach.

The survey itself is anonymous but there is also the option to express interest in a follow-up interview to provide more detailed insights.

The [Dentistry Cost Survey](#) and details on how to complete it can be found on GOV.UK.

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

Written 23 May 2025