Written 21 August 2023

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 about how these updates affect your business. We are here to support you!

Rethinking business resilience



Being resilient by choice is critical for both survival and for strategic advantage in an era where disruption is the norm. The threats businesses face today are complex and becoming more frequent than in previous times. We have seen a pandemic, an ongoing war in Europe with supply chain issues, a cost-of-living crisis, extreme weather and frequent ongoing cyber-attacks.

These events are more interconnected than before the Pandemic, and resilience is now critical for maintaining consumer and stakeholder trust. Many leading businesses are now making resilience a strategic aim to look at how they make the right investments in technology, talent and data.

Here are some practical thoughts that may help you think about resilience in a more strategic way:

- Think about a 360-degree view of risk and look for trouble before it finds you. Look ahead and assess future scenarios, perform sensitivity analysis or "What if" situations on your budgets or projections and examine changes in costs and customer behaviours.
- Use Generative AI (such as ChatGPT) to examine the effect of a change on your projections and let it outline future risks in your industry and play out scenarios in your business. Using your insight, advanced data analytics can help you identify early warnings of issues and opportunities.
- Know what areas you want to succeed in and where you cannot afford to lose. This involves understanding why you want your business to be resilient and will help target any investment to what is critical to your success.
- Ask yourself "When does a problem go from being a nuisance to unbearable?" What would wreck your business? If you accept that interruptions are more common in the last few years and that they will continue, then look at the risk from a customer, reputational, and financial viewpoint. This will help you develop contingency plans for realistic worst-case scenarios and help you get a clear sense of purpose.

- You cannot prevent external events happening, but you can plan for the worst across the risks your business has identified.
- Get everyone in your business involved in the strategy for building resilience. Discuss scenarios and canvass opinions. Ensure everyone knows their roles and responsibilities so they can act decisively during a crisis.

Our most successful clients are redesigning how they look at risk and using new predictive technology to play out scenarios to remain resilient in the future.

Please talk to us about the practical steps you can take, such as real time information, preparing budgets and "What if" analysis.

See: Guide to building business resilience (british-business-bank.co.uk)

Protecting Employees from Stress at Work

The Working Minds campaign has been created by the Health and Safety Executive (HSE), Britain's national regulator for workplace health and safety that is committed to improving the health of workers.

Tackling stress isn't just the right thing to do, it's a legal obligation. Working Minds can help you make it a routine priority for your business.

There are three main reasons employers should be looking to prevent stress and support good mental health in business:

1. It's the law;
2. It's good for business; and
3. It's the right thing to do.



Whether you're a small business or a large corporation, the law requires all employers to prevent work-related stress to support good mental health in the workplace.

It's important to remember that in the end we're all just people – and every one of us faces pressures in and out of the workplace. By treating each other with respect and compassion at work we support our teams and colleagues to stay well.

The earlier a problem is tackled the less impact it will have for the person and your business. Stress affects people differently – what stresses one person may not affect another. Factors like skills and experience, age, or disability may all affect someone's ability to cope.

You can get started today with these 5 steps:

1. Reach out and have conversations;
2. Recognise the signs and causes of stress;
3. Respond to any risks identified by agreeing action points between employer and worker;

4. Reflect on the actions taken – have things improved?
5. Make it routine to check back in on how things are going.

If you think that a worker is having problems, encourage them to talk to someone, whether it's their line manager, trade union representative, GP, or their occupational health team.

See: Working Minds Employers - Work Right to keep Britain safe

Check what your tax code means

HMRC have released a new online tool to help taxpayers understand what their tax code means.

Tax codes are used by HMRC to tell an employer how much income tax to withhold through the "Pay as you earn" (PAYE) system. A person's tax code can change from time to time, based on their personal circumstances. If it does, HMRC will inform the taxpayers of their new tax code by post or through their personal tax account.

You can use this tool to find out what the numbers and letters in your tax code mean and how much tax you will pay. To check what your tax code means, you will need your:

- tax code;
- annual income, before any deductions;
- company benefits details; and
- State Pension amount.



See: Check what your tax code means - GOV.UK (www.gov.uk)

If you need to change your tax code, you can use another HMRC online tool entitled "Check your Income Tax for the current year". The service covers the current tax year (6 April 2023 to 5 April 2024). You can use this service to:

- check your tax code and Personal Allowance;
- see your estimated income from any jobs and pensions and the tax you can expect to pay for the current tax year;
- update details of your income from jobs and pensions - you may pay too much or too little tax if they're not up to date;
- see if your tax code has changed;
- tell HM Revenue and Customs (HMRC) about changes that affect your tax code; and
- update your employer or pension provider details.

To check your Income Tax, you'll need to sign into your personal tax account using your Government Gateway user ID and password.

If you do not have a personal tax account

You need a Government Gateway user ID and password to set up a personal tax account. If you do not already have a user ID, you can create one when you sign in for the first time.

You'll need your National Insurance number or postcode and 2 of the following:

- a valid UK passport;
- a UK photocard driving licence issued by the DVLA (or DVA in Northern Ireland);
- a payslip from the last 3 months or a P60 from your employer for the last tax year;
- details of a tax credit claim if you made one;
- details from a Self-Assessment tax return (in the last 2 years) if you made one; and
- information held on your credit record if you have one (such as loans, credit cards or mortgages).

See: Check your Income Tax for the current year - GOV.UK (www.gov.uk)

NCSC guidance on long-term cyber resilience



The National Cyber Security Centre (NCSC) states that UK organisations should prepare for an extended period of heightened cyber security threat. It has guidance for organisations on the steps to take to improve security.

The guidance is designed to be applicable to any period of sustained heightened cyber threat, including the one arising from Russia in light of events in and around Ukraine.

The NCSC says that the cyber threat to the UK remains heightened and they expect it to stay that way for some time.

The NCSC guidance aims to help organisations avoid complacency and staff burnout. It advises that increased workloads for cyber security staff over an extended period can harm wellbeing and lead to lower productivity, with a potential rise in unsafe behaviours or errors.

The recommended actions in the guidance include:

- following the NCSC's actions to take when the cyber threat is heightened guidance;
- revisiting risk-based decisions taken during the initial phase of heightened threat;
- empowering cyber staff to make day-to-day decisions about the threat response without requiring additional oversight;
- ensuring workloads are spread evenly across individuals and teams;
- ensuring frontline cyber staff can take breaks to recharge; and
- accelerating planned action to harden networks and boost defence capabilities.

See: Maintaining a sustainable strengthened cyber security posture - NCSC.GOV.UK

SME Climate Hub

The SME Climate Hub is here to help small businesses deliver on their climate goals and they have developed free, practical resources specifically tailored to support SMEs on their net zero journey, through strategic emission reductions and opportunities for climate leadership.

Businesses can calculate their emissions with the Business Carbon Calculator, learn how to take action with the Climate Fit education course, and access support through the Financial Support guide and 1.5°C Business Playbook.

Research shows that such measures can significantly save companies on their overheads. For example:

- switching to EVs can not only cut running costs but also lower servicing and maintenance costs by around 40% compared to petrol or diesel cars;
- with up to half of companies' overall electricity bill coming from lighting, making changes such as switching to LED bulbs can help shave up to 40% off bills;
- giving drivers fuel efficiency training can help save companies an average of 15% on fuel use and carbon emissions in transporting goods.

The new support is aimed particularly at 5.5 million small and medium sized businesses (SMEs) in the UK, with business and industry accounting for around 25% of emissions. Research shows that 90% of SMEs are keen to tackle climate change but find it difficult to know how or where to start to find the right solutions to reduce their carbon footprint.

Studies also show 85% of consumers are more likely to buy from a business with a reputation for sustainability, meaning going green can help grow the economy.

The SME Climate Hub has also partnered with Oxford University to provide SMEs with a library of external tools that offer additional support to small businesses taking concrete steps towards climate action.

See: Tools and resources - SME Climate Hub

Net Zero Living: User focused design competition

Innovate UK, part of UK Research and Innovation, will work with micro, small or medium-sized enterprises (SMEs) to invest up to £3.8 million in innovation projects. These will be to support the net zero agenda.



The Design Council will support the implementation of this competition by providing bespoke support to your project.

The aim of this competition is to support ambitious, early-stage growth businesses in developing your net zero products or services to meet demand.

This support will include budget to hire the expertise of living laboratories to test your

products or services with end users, so they better meet the requirement of the target market.

Your project must focus on the development of your product or service and demonstrating it in a relevant market. The user focus can be achieved by testing the product or service in a living laboratory and demonstrating results that will both support the net zero agenda and answer a market need. Your total grant funding request must be between £50,000 and £100,000.

The closing date for applications is Wednesday 4 October 2023.

See: Competition overview - Net Zero Living: User focused design - Innovation Funding Service (apply-for-innovation-funding.service.gov.uk)

Guidance for small businesses on using facial recognition technology



Facial recognition technology (FRT) identifies or otherwise recognises a person from a digital facial image. Businesses can use FRT in a variety of contexts - for example, in allowing access to devices, taking payments, or allowing entry to secure areas.

Depending on the use, FRT involves processing personal data, biometric data and special category personal data. Such technologies can intrude on people's privacy, so businesses need to think carefully when deciding if they should implement them.

If you are a small business looking to begin using facial recognition technology, read the ICO's latest FAQ about using FRT for payment, entry, or other security systems.

The information highlights key issues to be aware of, such as:

- what you need to consider before using this technology;
- when you must complete a data protection impact assessment;
- how to identify and satisfy a special category condition; and
- what to include in your privacy notice if you use FRT.

See: Additional considerations for technologies other than CCTV | ICO

Small Business Britain's Small & Mighty Enterprise Programme

The Small Business Britain's Small & Mighty Enterprise Programme to help grow small businesses with expert guidance and mentoring is a six-week programme, designed to supercharge sole traders and micro businesses and concludes with a growth plan to support the next year of business opportunity. It will be delivered entirely online, allowing access from anywhere in the UK with flexible learning enabling opportunities for all.

What does the course include?

- Live weekly sessions recorded and available on a private Small Business Britain website available exclusively to course participants.
- Weekly worksheets to embed learning outcomes accessible on the private website hub, developed by each week's expert trainers.
- Development of an Action Plan: a twelve-month plan to grow and flourish with the support of expert mentors.
- Two hours of 1-2-1 and group mentoring over the six weeks from expert mentors around the UK.
- Inclusion in an exclusive, supportive community to ask and answer questions, access experts and teachers, share experiences and network with other small businesses.

See: Small Business Britain | Champion. Inspire. Accelerate

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