Digital tax returns: ‘a disaster’ for small small business

Digital tax plans ‘could be a disaster’ for small firms, according to the influential cross-party Treasury Select Committee’s new report.

In its report on Government plans to digitise tax records and reporting, the committee warned without sufficient changes, the Making Tax Digital programme could be a disaster for UK small businesses, echoing concerns shared by the FSB.

Commenting on the report, Mike Cherry, FSB National Chairman, said: “This important report is a damning indictment of the Government’s mandatory tax plans as they currently stand, and Ministers must listen to it. “The voices of the UK small business community and MPs from all parties now speak as one – the proposals as they stand put our economy at risk. Ministers must heed this report before publishing draft legislation.

“The Committee’s recommendation to delay implementation until 2019-2020 is the right first step, as the proposed timetable is rushed and unrealistic, without enough time for HMRC to engage with affected businesses and conduct user-testing.”

He added: “We’re particularly pleased to see the Committee back our own recommendation that the exemption threshold should be increased and aligned with the VAT registration threshold (£83,000), to remove those businesses least able to cope with the proposed reforms – and as a tax simplification measure,” he said.

FSB Connect Networking

FSB is rolling out more networking in the region, and chances are there’s one near you. Networking is a great way to meet likeminded business owners, make new business contacts, and win new business.

We have events right across Greater Manchester & North Cheshire area, in Macclesfield, Oldham, Macclesfield, Urmston, Media City, and we’re launching a Women in Business evening event in central Manchester—the first on Feb 3. Keep your eye on FSB emails for invites, or check our events calendar HERE. Our Urmston and Media City events are free, while the others are all £10 entrance.

Thinking about an apprentice?

Thinking about taking on an apprentice in 2017? The region has produced a how-to guide for members seeking to recruit their first apprentice.

The Government has said three million new apprenticeship places will be created by 2020, meaning the onus is shifting firmly to on-the-job training.

If you would like to learn more about the UK apprenticeship system, how to recruit one, where you go to find one, and the types of course available, how much you pay them, and if existing employees in your business can sit a course, access the PDF guide by emailing: robert.downes@fsb.org.uk.

Said FSB Regional Chairman, Simon Edmondson: “The shift in the next few years away from expensive university education will start to pick up a pace. Our guide is a really useful document which will help businesses get to grips with what can be a daunting experience.

Employers: GCSE grading changing ’17

If you’re an employer who is looking to take on a 2017 GCSE leaver later this year, are you aware the scoring grades are changing?

Exams in reformed English language, English literature and maths GCSEs will be graded from 9 to 1, instead of A* to G.

Confusingly, as of this summer, 9 will be the new highest grade achievable (think A**), with grades 8 and 7 considered A* and A grades respectively. A ‘1’ grade will be a previous G grade.

The new grading structure will be applied to other GCSE subjects in 2018 and 2019 – meaning the two systems will co-exist for some exams for another two years, adding to the confusion.
Disputes resolution – counting the cost

Business disputes: New research from the Federation of Small Businesses (FSB) shows disputes are costing small firms in England & Wales at least £11.6 billion each year.

FSB’s latest report, ‘Tied Up: Unravelling the dispute resolution process for small firms’, reveals for the first time the scale of disputes in the economy and the costs spent chasing debts. A huge 72% of legal struggles faced by businesses are down to late or non-payment. The study also showed most small businesses (70%) have faced at least one dispute in recent years, and on average, the amount under dispute is around £18k.

Local FSB member and dispute resolution provider, Peter Causton, who runs ProMediate, said the research rang true, but said there were better alternatives to court. “The research does indeed show disputes are a real and expensive problem. However, when it comes to resolving such issues, my experience has always been sooner is always better than later, and that court is quite often not the best way to settle.

“One solution is alternative dispute resolution – known as ADR – which sees the two parties come together using a mediator to resolve the grievance, in person, online or on the telephone. The figures show only eight per cent of firms use this method despite it being three times more likely to achieve a successful outcome. Small businesses have not yet embraced ADR, and there is a long way to go to change the culture of dispute resolution in the UK.”

The consequences of disputes can be devastating for small businesses, ranging from short-term cash-flow difficulties right through to insolvency. FSB is calling for a new approach to help small businesses facilitate faster, fairer and cheaper resolution when they do.

FSB National Chairman Mike Cherry, said: “We want to see a beefed up system to bring about fewer disputes and faster resolutions for small firms. The Small Business Commissioner should become a hub for prevention and early intervention, dispute advice, and for helping small businesses identify and use alternative dispute resolution.”

BIBA shores up flood insurance

The British Insurance Brokers Association (BIBA) have announced their new scheme aimed at improving the way small businesses can get insurance cover against flood risk.

We advise any business having difficulty accessing affordable flood insurance to contact BIBA’s Find a Broker Service on 0370 950 1790.

The BIBA participating brokers can assess individual buildings flood risks more accurately because of their access to new databases and their willingness to take account of flood prevention measures taken by the building occupiers who seek flood insurance.

The BIBA participating brokers can also – where flood cover insurance is available through this new system - take action to reduce flood policy excesses through the reinsurance market.

BIBA do not guarantee that all businesses will always be able to obtain insurance, but a significant number of businesses who currently cannot should be able now to do so, and with much reduced policy excesses.

FSB members can also contact FSB Insurance on 0345 76 26 158, or visit FSB Insurance Service’s website for further information.

Earn £30 from lead generation

Want to earn £30 for referring a business colleague of associate to the FSB? The new ‘Generate’ scheme enables members who’ve registered as lead generators to earn £30 for every lead provided that creates a full member.

For details see www.fsb.org.uk/lead-generator. Encouraging and advising just four new members to join and get the benefits of FSB membership will, for members paying the basic subscription, cover their own annual membership cost.

Could you host an FSB event?

FSB puts on various training events across the Greater Manchester & North Cheshire region, but could your business premises donate a room? You’ll get to sit the course for free, and showcase your business to the participants.

We are particularly keen to hear from businesses in Salford, Trafford, Oldham and Rochdale. If you would like to learn more - mail robert.downes@fsb.org.uk or telephone 0791 762 8965.
In just a few month’s time, the government’s auto-enrolment scheme will have been rolled out right across the UK.

Come April 1, all businesses who employ staff aged 22+ should have an operational, compliant pension scheme in place, and be offering it to all eligible staff.

The key word in the above paragraph is ‘should’, because there are a large numbers of small businesses still not on-board. If you’re going to miss your ‘staging date’, or have already missed it, a penalty will probably be unavoidable.

The best way to minimise the impact of your non-compliance is to cooperate fully with The Pensions Regulator (TPR). Conversely, the worst thing would be to ignore it – and I’ll tell you why in this column.

For firms who’ve missed their staging date, The FSB offers its members a brilliant and value for money auto-enrolment compliant pension scheme.

Voice from the Chair - Simon Edmondson writes...

However, if you go it alone, consider hiring an expert to help guide you through the numerous considerations.

These include fees, annual costs, payroll adjustments for compatibility - and more. Since time will be of the essence, any fees spent on an expert could prove a wise investment in the long run, particularly if you are some way past deadline.

Simon Edmondson, Regional Chairman for Manchester & North Cheshire

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Prolific North Live 2017

FSB Manchester & North Cheshire region will be exhibiting at Prolific North Live in Manchester later this month as the event returns to the city for a second year running.

The two day expo will take place at EventCity near the Trafford Centre on Wednesday 15th and Thursday 16th February. It will feature leading exponents of digital innovation, cutting edge marketing, branding and experiential agencies, content and engagement specialists, advertising and PR firms, leading broadcasters, TV and film production companies, printers, media suppliers, and some of the best business brains from across the UK.

As well as dozens of exhibitors offering invaluable insight into their businesses, the exhibition will also feature venture funding sessions, business speed dating/networking, tech innovation demonstrations, creative workshops, collaboration areas, conference sessions and seminars designed to motivate and inspire. It will also feature areas dedicated to freelancers and marketing and communications professionals.

The event’s free to attend and visitors will be able to book their places on seminars once the speakers have been announced.

Over 2,200 people attended last year’s inaugural expo in February 2016, but organisers expect over 4,000 attendees this year, drawn from in-house marketing and comms functions to companies and agencies spanning Prolific North’s (magazine’s) readership, through to professionals seeking to engage with the fast-growing creative and media sectors from across the North.

Click here to register!

Metro Mayor Manifesto & hustings

On May 4th, voters in Greater Manchester will go to the polls to decide who will be the region’s very first Metro Mayor – the starting pistol on devolution will have been fired.

This will be a seminal moment for the region at almost every level, the most important micro-political event for a generation, and a crucial point in time for the region’s 105,000 small businesses.

Last month the region published its business manifesto, which has now been sent to all of the declared candidates running for the new office.

The 12 page policy document sets out the FSB’s vision for steps Greater Manchester’s new Metro Mayor should implement to help supercharge the region’s business scene, boost jobs, and deliver sustained and achievable long term economic growth.

Key business issues covered in the manifesto range from transport and infrastructure projects, to roads, education and skills, business rates and digital infrastructure, among others. For each issue the FSB manifesto identifies, the document makes practical suggestions for how each might be addressed by the new mayor, who will take office on May 5.

Regional Chairman for Manchester, Simon Edmondson, said: “The region’s success post devolution will largely be based on having a strong, resilient and healthy private sector, and the new Major will have the powers to help make that happen. Business has to be top of the agenda for anyone to win. “Our manifesto will hopefully provide some insight in to what the mayorship could and should do to help make Greater Manchester a more fertile and attractive region in which to trade, and make Greater Manchester the go-to centre for business in the North.”

FSB members will be able to engage directly with the candidates ahead of the election at a business hustings where they’ll be able to ask any business themed question.

Labour’s candidate, Andy Burnham, and the Conservative candidate Sean Anstee will be joined by other declared candidates to answer audience questions at an event on Thursday, March 30th, at Manchester Metropolitan University’s Business School, between 6.30pm and 8.30pm.

The event will be strictly ticket only, and invites will be going out shortly to FSB member via e-mail, with sign up via Eventbrite.

To read a copy of the FSB’s Manchester Mayoral Manifesto, click HERE (for digital version) or email rob.mounts.fsb.org.uk

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FSB and Worldpay Business Awards

Smaller businesses in Greater Manchester & North Cheshire have a chance to shine and win prize money of up to £12,000 in the FSB and Worldpay UK Business Awards 2017.

Entry is now open for the FSB’s national awards programme, which celebrate the cream of the SME world and reward smaller business excellence in all areas, from Best Family Business to Best Entrepreneur of the Year. With 11 categories to enter, including four new ones for 2017, there is a category to suit every type of smaller business.

The grand final will take place on May 10, at the Underglobe Swan Shakespeare’s Globe Theatre, hosted, once again by businesswoman Tim Campbell MBE, the original winner of the BBC’s ‘The Apprentice’. Online entry will close at midnight on 17 February and area category winners will be announced in March 2017. More details can be found at the website fsbworldpay-wards.org.uk

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