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Business News Scotland

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!

Spread the cost of your Self Assessment tax bill with HMRC's Time to Pay

With the holidays and end of the year fast approaching, it's a good time to plan your finances for the new year. For those who file Self Assessment tax returns, the prospect of having to make a heavy tax payment at the end of January 2025 may be causing you concern.

Did you know that HM Revenue & Customs (HMRC) provides an option to spread the cost of your tax bill with their Time to Pay system?

What is Time to Pay?

Time to Pay is an HMRC service that allows taxpayers to spread the cost of their Self Assessment bill over regular monthly payments. It's designed for those who can't pay their bill in full by the deadline. By using Time to Pay, you can avoid further late payment penalties, provided you stick to the agreed payment plan.

Key points to know:

- Eligibility: If your tax bill is less than £30,000, then a payment plan can be set up online without needing to contact HMRC. If you owe more than £30,000, you'll need to contact HMRC to discuss your options.
- Deadline: The tax return and payment deadline for the 2023 to 2024 tax year is 31 January 2025. To use Time to Pay, you must first file your tax return before you can set up a Time to Pay arrangement.
- Payment Terms: You can spread payments over a maximum of 12 months, making budgeting more manageable. However, you must ensure you budget for the monthly payments, as missed payments will result in interest and penalties.

HMRC reports that over 15,000 taxpayers have already set up Time to Pay plans for the 2023 to 2024 tax year.

Planning ahead and understanding your options can make tax return filing less stressful. If you're worried about how you will pay your tax bill, Time to Pay may be a practical option for you to consider.

If you would like any help agreeing payment arrangements with HMRC or with filing your Self Assessment, please get in touch and we will be happy to help you!

See: <https://www.gov.uk/government/news/festive-finances-budget-for-christmas-and-spread-the-cost-of-tax-bills>

Online marketplaces and vape producers to help fund recycling costs

The UK Government has announced new measures to ensure online marketplaces and vape producers contribute fairly to the costs of recycling electrical waste. Circular Economy Minister Mary Creagh revealed the plans last week, marking a significant step towards creating a circular economy and supporting UK retailers.

Levelling the playing field

Currently, UK-based retailers bear most of the financial burden for recycling electrical items such as toasters, hair curlers, and vapes. This has placed them at a disadvantage compared to online marketplaces that often avoid such costs. The new rules will require online retailers to pay their share, providing a fairer system for all businesses.

Minister Creagh stated: “Electrical equipment like vapes are being sold in the UK by producers who are failing to pay their fair share when recycling and reusing of dealing with old or broken items. Today we’re ending this: creating a level playing field for all producers of electronics, to ensure fairness and fund the cost of the treatment of waste electricals.”

Tackling waste and boosting recycling

Each year, the UK discards around 100,000 tonnes of household electrical items, with many valuable materials such as copper and gold lost in landfills. Improper disposal also poses health and safety risks to the waste industry. The government’s initiative aims to reduce waste and recover these valuable resources.

Research from Material Focus estimates that 100,000 tonnes of smaller household electrical items, such as kettles and lamps, are incorrectly thrown away every year.

Alex Baldock, CEO of Currys said: “We welcome the Government’s new measures to help level the playing field for responsibility for waste, making online marketplaces do their part. Low value, low quality, and unsustainable tech is piling up in landfills, and it’s good to see Government doing something to tackle that.”

Changes to regulations

Under the new plans:

- **Online Marketplaces:** Platforms will need to register with the Environment Agency and report data on UK sales of their overseas sellers. This data will determine their financial contributions to recycling costs.
- **Vape Producers:** A new category will be created for vapes, ensuring producers pay for recycling these items.

Circular Economy Taskforce

The government has also established a Circular Economy Taskforce to develop a comprehensive Circular Economy Strategy for England. This is set to be published next year. The strategy will outline sector-specific measures to promote sustainability and reduce waste.

This initiative complements other efforts, such as the upcoming deposit return scheme for drinks containers and extended producer responsibility for packaging. Together, these reforms aim to reduce waste, stimulate recycling infrastructure, and create thousands of green jobs.

A call to action

These new measures mark a further step in tackling the throwaway culture and transitioning towards a sustainable economy. These changes aim to protect the environment, support UK businesses, and recover resources that would otherwise go to waste.

See: <https://www.gov.uk/government/news/online-giants-to-pay-their-fair-share-for-electrical-waste>

HMRC introduces new interactive tool for self-employed people

HM Revenue and Customs (HMRC) have announced the launch of a new interactive online tool and clearer guidance for those who are already self-employed and those considering it.

The [new tool](#) explains what records a self-employed person may need to keep, taxes that may apply to their business, and includes other useful information, such as how to pay a tax bill.

HMRC's new [Set Up as a sole trader: step by step](#) guide can help people who work for themselves understand the situations in which they may need to register as a sole trader and how they can do so.

The tools can be used on an anonymous basis and are only for information purposes. Using them will not result in being registered as self-employed, and the government have said that they do not collect or store any information about the user.

If you are unsure about whether you may need to register as self-employed, please feel free to contact us. We will be happy to help you.

See: <https://www.gov.uk/government/news/new-support-for-small-business-from-hmrc>

Coffee prices at record high

Those of us that rely on a coffee-fix to get the day started may see this get more expensive. Coffee prices on international commodity markets soared to their highest level on record last week.

The price for Arabica beans, the most used beans in global production, increased to \$3.44 a pound, increasing by more than 80% this year. Robusta beans similarly reached a fresh high in September.

Coffee traders are expecting crops to shrink due to bad weather in Brazil and Vietnam, two of the world's largest producers. Brazil experienced its worst drought in 70 years during August and September and this was followed by heavy rains in October. Vietnam, where Robusta beans are grown, has also experienced drought and heavy rainfall during 2025.

Meanwhile, the popularity of coffee continues to grow. For example, China, which is not traditionally a coffee drinking nation, has doubled its consumption in the last decade.

In recent years, major coffee roasters have been absorbing price increases to keep customers happy and maintain their market share, however some experts believe this could soon change and consumers will see price increases as a result.

See: <https://www.bbc.co.uk/news/articles/c36pgrrjllyo>

British pork producers secure return to Chinese market

British pork producers are celebrating a major breakthrough as China's Covid-era restrictions on UK unprocessed pork exports were ended. Industry estimates suggest this development could boost revenues by around £80 million, offering significant benefits to UK farmers and the economy.

A lucrative market reopens

The lifting of restrictions means British bangers and other premium pork products can once again be exported to China. Major UK producers have already received the green light to restart exports. This allows them to seize opportunities in a market that purchased £180 million worth of pigmeat in 2023. China could therefore potentially be the UK's biggest non-EU customer.

This achievement follows top-level talks during the Foreign Secretary's recent visit to China.

The announcement adds to another recent victory for British agriculture. Earlier this year, the government secured access to the US market for UK beetroot growers, estimated to be worth £150,000 annually in increased exports.

See: <https://www.gov.uk/government/news/british-pork-producers-to-bring-home-the-bacon>

Chancellor promotes reset of UK-EU trade relations

Chancellor Rachel Reeves spoke last week at a meeting of EU finance ministers as part of the government's attempt to perform an economic reset with the EU. It was the first time a UK chancellor has attended such an event since the UK left the EU.

The Chancellor spoke about tackling shared challenges including the war in Ukraine, championing free trade as a driver of economic competitiveness, and strengthening bilateral economic partnerships. She said she was looking for a reset that would break down barriers to trade, create opportunities to invest and help businesses in both the UK and EU countries to sell in each other's markets.

The speech was part of a trip where the Chancellor attended a series of bi-lateral meetings with European counterparts.

No return to the single market, the customs union, or freedom of movement is planned. However, the President of the European Commission, Ursula von der Leyen and Keir Starmer agreed on October 2 to strengthen the UK-EU relationship and put it on a more solid, stable footing.

The business community waits to see how these discussions will translate into concrete changes with EU trading partners.

See: <https://www.gov.uk/government/news/chancellor-calls-for-business-like-relationship-with-eu>

New Business Growth Service launched

A new Business Growth Service has been launched that is designed to help businesses across the UK to get quicker and easier help, support and advice.

The new service has been initiated in response to small businesses finding the business support landscape fragmented and complex. Only 26% of UK SME employers reported that they sought external advice or information in 2023.

The Business Growth Service will develop a revamped web offering that will launch in the first half of 2025. This will be developed and will work in partnership with small businesses as well as governments, local and devolved, across the UK to try and ensure that the service will provide the information and resources that smaller businesses need from government.

It is estimated that a small business owner, on average, spends over 33 hours each month on internal business admin. The service aims to help decrease this time by providing practical help to small businesses.

See: <https://www.gov.uk/government/news/government-growth-service-to-save-small-business-time-and-money>

Budget confirms funding for Northern Isles

Businesses in Orkney and Shetland were pleased to hear of the £20 million fund announced in the Scottish Budget that will invest in the island's connectivity.

The fund which will be shared equally between the two authorities will help to support work around ferries, flights and tunnels and bridges.

The money is intended to be used in ways that best support connectivity in a way that supports the local communities.

Better connectivity in the islands should also help businesses to sustain themselves and continue to grow and thrive despite unique challenges.

See: <https://www.gov.scot/news/investment-in-northern-isles-connectivity/>

Help for start-up talent

The Scottish Budget announced a package of measures and funding that is aimed to help entrepreneurs start and grow their businesses in 2025/26.

The total £15 million investment will include at least £4 million to expand the number of women entrepreneurs by providing tailored support at the earliest stages of business creation.

The initiative will contribute to an overall spend of £34.7 million across entrepreneurship, innovation and social enterprise. This represents a 50% increase on 2024/25.

The government plans to continue investing in Techscaler, which is a programme for tech startups. There will also be a new round of funding for the Ecosystem Fund, and a new fund will further develop clusters in sectors such as life sciences, digital and advanced manufacturing.

If you are considering a new business idea, why not talk to us about what funding and support may be available to you. We will be happy to help you.

See: <https://www.gov.scot/news/unleashing-start-up-talent/>