NBusiness



Special report by **GILL OLIVER** on a cash and advice scheme available to local firms

REE advice. workshops and cash grants are part of a £2m scheme to boost local business. Awards of £1,000 to £5.000, funded through the European Regional Development Fund – a Brexit-proofed contract guaranteed until 2019 are open to new and growing firms around the county from this month.

The other key element of the three-year programme is one-to-one and group practical mentoring and support delivered by a team of 12 'network navigators', who steer business owners towards useful contacts expertise and funding.

Each navigator covers a specific sector such as retail, tourism, manufacturing, professional services, engineering, digital and life science.

There is also a navigator for each of the county's districts - Oxford City, West Oxfordshire, South Oxfordshire, Vale of White Horse and Cherwell.

Free workshops cover eight businessrelated topics such as marketing, finance and digital.

Heather Martin, business support manager at Oxfordshire Business Support, part of Oxfordshire Local Enterprise Partnership and which is overseeing the programme said: "The networking navigators are our feet on the street and most run their own businesses, or are experts in their field. "Our and their job is to signpost things people don't know

officer Will Barton said having representatives from the county's

districts is key, as they have local

provide services.

knowledge. He said: "We can put start-up or existing

firms in touch with other businesses or

people in the area who can help them, or

important to know who to go to that can put you in touch with the people you need

to be in touch with. It's really important

whether an idea is likely to translate into

information on exporting. Ms Martin added: "We are trying to

I am not a big business

painless as possible.

marketing and events manager Lisa

departure from the EU, as it is part of a

contract guaranteed until September

Norgate-Barnes confirmed ERDF

funding is not affected by the UK's

oxfordshirebusinesssupport.co.uk

For more information, see

offer.

2019.

start, run or grow your

business and make it as

dispel some of the myths such as

'exporting is not for me because

"We are here to help you

"There is lots of practical

help, support and assistance on

Oxfordshire Business Support's

a viable business, how to prepare a business plan, succession planning and

to have contact with people who

understand the sector and the area '

Other training and support covers

"When you start out, it's massively

about because they are too busy running their businesses. Those eligible to apply include people thinking of starting their own venture, those who have

recently set one up and more established firms. Grant Hayward, pictured

above, network navigator covering social enterprise and charities, said typical support could include helping organisations crowdfund, by QUOTE putting them in touch with others who have

In the current climate, successfully raised cash many organisations in that way. Or, it could just involve need to be more introducing them to creative about useful contacts. He explained: "In the generating money

current climate, many organisations need to be more creative about generating money

"And mainstream businesses are thinking more about corporate responsibility, social and environmental issues. But this isn't all about the money, it's about practical, ongoing support for husiness

West Oxfordshire business support COMMERCIAL PROPERTY: WHAT THE EXPERTS ARE PREDICTING >>>>>>P4&5



Budget 2017: a reality check on the impact of rises to Class 4 NICs

o big surprises were expected from Chancello Philip Hammond in his first and last Spring Budget. His message was that the UK is benefitting from robust growth, record employment, and a reducing deficit. The UK economy is growing at a rate which is second only to Germany in the developed world.

While the Chancellor was prevented from increasing . taxes due to election manifesto pledges, as expected, Class 4 National Insurance Contributions (NICs) for the self-employed will rise, though they will not be completely aligned with employee NICs. The Chancellor had

considered reversing the abolition of Class 2 NICs, which is to take effect in 2018, but decided against it. Instead, Class 4 NICs will rise by one to 10 per cent from April 2018, and by a further one to 11 per cent in April 2019.

On average this will result in the self-employed paying 60p more in NICs a week However, the lowest-paid selfemployed earners will still see a drop in NICs through the abolition of Class 2 NICs. The Chancellor noted that

an employee earning an average of £32,000 currently pays £6,170 in NICs whereas a self-employed person with the same earnings will pay only £2,300. Against this background, the distinction between the benefits received by the self-employed, including the state pension, has been dramatically reduced. Interestingly, the Chancellor noted that one exception to this is parental benefits, and he pledged to consult on changes to these this summer.

This measure reflects the growing concern that the growth of the so-called 'gig economy' and in individuals providing work through Personal Service Companies (PSCs) is resulting in lost revenues to the Exchequer and in unfairness in the tax system for those who are employed.

The Chancellor referred to the Matthew Taylor Review on Modern Employment Practices (which will produce its final report in the summer) and Mr Taylor's preliminary thoughts: namely that the tax differences between the employed and the self-



TIM FORER IS AN EMPLOYMENT LAW SPECIALIST AT **BLAKE MORGAN**

employed is the key driver to the growth of such business models.

Recent employment tribunal rulings in cases involving Uber, Pimlico Plumbers and CitySprint have highlighted that in many cases, self-employment is a model adopted by such organisations for tax reasons but it also may have the effect of depriving workers of certain rights. Although in many cases the individuals may be happy to pay less in tax and NICs, they may in fact be not self-employed, but 'workers' – a middle ground between employees and the genuinely self-employed who are entitled to holiday pay, the national minimum wage, working time limits and pensions auto-enrolment. The position is complicated by the fact there is no equivalent tax status for 'workers' and also the fact that employment tribunals and HMRC can and sometimes do come to different conclusions about whether an individual is selfemployed or not.

A further measure was added to close the gap where services are offered through a PSC (where the Chancellor noted that the gap in tax and NIC payments was even greater than for the selfemployed). From April 2018, the tax-free dividend allowance available will be reduced from £5.000 to £2,000. This measure will mainly affect PSCs where the individual is usually a director-shareholder of the PSC. It comes against the background of other recent changes to off-payroll working in the public sector. From this April, public authorities engaging individuals who work through a PSC have to decide whether the IR35 rules apply, rather than the individual, and tax will be deducted accordingly by whoever is the 'fee-payer'.

