SEPTEMBER 2026

wellway INSIGHTS

THE LATEST TAX AND BUSINESS NEWS

Why Every Business Needs a 12-Month Profit Improvement Plan

Find out how to build a realistic roadmap to increased profitability over the next 12 months.

Page 3

Key Tax Dates For Your Diary

Stay ahead of the upcoming tax dates and deadlines for September and October.

Page 3

Are You Using The Tax-Free Childcare Scheme?

Help available for eligible families to meet the cost of nurseries, breakfast clubs, childminders, holiday clubs, and after-school clubs.

Page 9

Prepare To Be Signed Up For MTD

Page 5

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CONTENTS

September's Message From The Wellway Team...

Welcome to the September edition of Wellway Insights – our monthly tax and business newsletter, bringing you the latest news, updates and practical advice to help you and your business stay informed.

With the kids back at school, it's been great to have a full office again! We hope everyone has enjoyed the summer, whether you've managed to get away for a well-earned break or have been making the most of the sunshine closer to home. We're enjoying having our team back together and getting back into the usual rhythm after the summer months.

There's plenty happening over the coming weeks, and we're particularly looking forward to getting out and about at some upcoming networking events with local businesses.

It's always a pleasure to meet other local business owners, share ideas and hear about what's happening across our community.

As always, we've got plenty to share in this edition, with updates on Making Tax Digital among the headlines (as usual). And remember, we're always here to answer your questions, provide practical accountancy support for your business and help with smart financial planning solutions. We hope you find it useful!

Morpeth, Northumberland

Key Tax Dates for Your Diary

19/09	PAYE & NIC deductions, and CIS return and tax, for month to 05/09/2026 (due 22 September if you pay electronically).
01/10	Corporation Tax for year to 31/12/2025, unless quarterly instalments apply.
19/10	PAYE & NIC deductions, and CIS return and tax, for month to 05/10/2026 (due 22 October if you pay electronically) These are also the due dates for Class 1B NICs due under PAYE Settlement Agreements.
28/10	Chancellor John Healey delivers Autumn Budget 2026.

Why Every Business Needs a 12-Month Profit Improvement Plan

Many businesses start the year with ambitious sales targets. The problem is that increased sales do not always translate into increased profits.

To overcome this problem, a structured 12-month profit improvement plan provides you with an opportunity to examine the factors that drive the financial performance of the business. You can then assess where targeted changes will deliver the greatest return.

Starting with the current position

Effective profit planning begins with a detailed understanding of how the business is currently performing.

This typically involves reviewing:

- Sales by product or service line.
- Gross profit generated by each area of the business, or for each revenue stream.
- Customer profitability.
- Overhead costs and operating expenditure.
- Overall net profit performance.

This analysis will often highlight some significant variations in profitability across different parts of the business. While some products, services, or clients generate strong returns, other may contribute comparatively little despite accounting for a sizeable proportion of revenue.

Understanding these differences gives you a solid foundation for the next step.

Look beyond historical results

While the accounts explain what has happened, profit planning focuses on what could happen.

A key part of the planning process involves modelling different scenarios to assess their potential impact on profitability.

Examples might include:

- What happens if sales volumes increase by 10%??
- How is profit affected if prices are given a modest increase
- What's the difference to the bottom line if there is a 2% increase in gross profit margins?
- What happens if a greater emphasis is put on selling higher-margin products or services?

- Is there a big impact on profit if you discontinue selling low-margin products or services?

By flexing both sales and gross profit assumptions, it becomes possible to estimate how different strategies will impact profitability.

Understanding the power of margin improvement

Relatively small improvements in gross profit margins can sometimes deliver greater benefits than substantial increases in sales.

For example, a business generating £1 million of annual sales at a gross profit margin of £300,000.

If turnover increases by 10%, gross profit rises to £330,000.

Alternatively, if turnover remains unchanged but the gross profit margin increases from 30% to 33%, gross profit also rises to £330,000.

When both factors improve simultaneously, the effect can be even more significant.

Modelling both sales and margin improvements can help you identify where effort will generate the greatest financial return.

Translating numbers into action

The value of a profit improvement plan lies not in the forecasts themselves but in the actions that the plan prompts you to take.

Depending on the outcome of the analysis, the goals you might set could include:

Sales growth

- Developing existing customer relationships.
- Increasing customer retention.
- Targeting new markets.
- Expanding higher-margin service offerings.

Margin improvement

- Reviewing pricing policies.
- Reducing unnecessary discounting.
- Improving purchasing arrangements.
- Enhancing operational efficiency.

Product and service mix

- Increasing focus on higher-performing revenue streams.
- Reviewing underperforming products or services.
- Reallocating resources towards more profitable activities.

Review and adjust

By connecting financial targets with practical initiatives, the plan becomes a management tool rather than simply a budgeting exercise.

Regular reviews can help you to make sure that the business is staying on track with your targets.

As you compare the actual results against your projections you will see what is working well, where adjustments may be needed to maximise the opportunities you identified during the planning process, and where a plan is not working and needs to be abandoned.

A more focused approach to growth

Profit improvement is rarely the result of a single initiative. More often, it comes from a series of targeted decisions that collectively strengthen financial performance.

A structured planning process helps you to focus on the numbers that matter the most. By analysing current sales lines, assessing gross profit contribution and modelling the impact of potential changes, you can build a realistic roadmap to increased profitability over the next 12 months.

If you would like help putting your 12-month profit improvement plan together, please give us a call. We'd be happy to help you!

Prepare To Be Signed Up For MTD

Last week, HMRC confirmed that, from September 2026, they will sign up taxpayers who are required to use Making Tax Digital (MTD) for Income Tax for 2026-27, but who have not yet registered for the service themselves. They have now published guidance setting out the steps affected individuals should take.

HMRC will automatically sign up taxpayers if their records show qualifying income exceeded £50,000 in the 2024-25 tax year and they have not yet registered.

For taxpayers whose level of income means that they are not required to join MTD until 2027-28 or 2028-29, there is no change. It is only taxpayers who were required to sign up to MTD for 2026-27 that will be automatically signed up by HMRC.

What happens if HMRC automatically signs you up?

HMRC will contact you directly, either by post or digitally depending on your contact preferences, asking you to complete a 'checking step'.

You can complete this checking step yourself, or you can ask us as your agent to do it for you. Because HMRC will not write to us to say that they have signed you up, you will need to let us know if you would like us to help you. If doing yourself, it can be carried out in the 'Making Tax Digital for Income Tax' section of your HMRC online services account; this will be your Personal Tax Account or Business Tax Account.

If you have never used an HMRC online services account, you will need to set up an account.

The 'checking step' will involve verifying the information HMRC holds on your business and property income. It is important to remember that HMRC's information derives from historical data for 2024-25. This means it is possible that HMRC could include details for businesses that have ceased.

If your business has ceased, you do not need to use MTD and HMRC will confirm this once they have been contacted. Once joined, you will need to use compatible software to catch up and create digital records from the start of the tax year. Any overdue quarterly updates will need to be submitted as soon as possible (the first quarterly submission was due on 7 August 2026).

HMRC have confirmed there will be no penalty points for missing a quarterly update for 2026-27. A final quarterly update will be required before the 2026-27 tax return can be submitted, and penalties will be charged if the tax return is submitted late.

If you have been signed up and are not sure why or need any other help with MTD please do get in touch

Advisory Fuel Rates For Company Cars

The table below sets out the HMRC advisory fuel rates from 1 September 2026. These are the suggested reimbursement rates for employees' private mileage using their company car. Previous rates are shown in brackets.

Where the employer does not pay for any fuel for the company car, these are the amounts that can be reimbursed in respect of business journeys without the amount being taxable on the employee.

Engine Size	Petrol	Diesel	LPG
1400cc or less	14p (14p)		11p (11p)
1600cc or less		15p (15p)	
1401cc to 2000cc	17p (17p)		13p (13p)
1601 to 2000cc		16p (16p)	
Over 2000cc	27p (26p)	22p (23p)	20p (21p)

Note that for hybrid cars, you must use the petrol or diesel rate. For fully electric vehicles the rate is 7p (7p) per mile where the vehicle is charged at home. The rate applicable to vehicles charged using public facilities is 15p (15p) per mile.

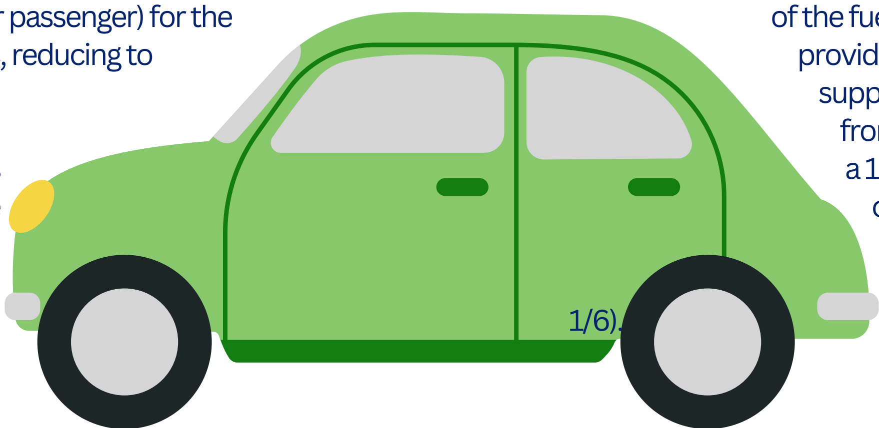
Employees using their own cars

For employees using their own cars for business purposes, the Approved Mileage Allowance Payment (AMAP) tax-free reimbursement rate was increased on 6 April 2026 to 55p per mile (plus 5p per passenger) for the first 10,000 business miles, reducing to 25p per mile thereafter.

Note that for NIC purposes the employer can continue to reimburse at the 55p rate regardless of mileage as the 10,000 mile threshold does not apply.

Input VAT

Within the 55p/25p AMAP payments, the amounts in the above table represent the fuel element. The employer is able to reclaim 20/120 of the fuel amount as input VAT provided the claim is supported by a VAT invoice from the filling station. For a 1500cc diesel-engine car, 2.5 pence per mile can be reclaimed as input VAT (15p x 1/6).



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HMRC Using Third-Party Information to Target Landlords

HMRC has begun writing to landlords where the information it holds from third parties does not appear to match the taxpayer's records. The letters encourage recipients to review whether all rental income has been declared and remind them of their obligations under Making Tax Digital (MTD) for Income Tax.

HMRC receives information from a variety of sources, including tenancy deposit schemes and other statutory reporting systems. This data is increasingly being used to identify landlords whose tax returns may not accurately reflect their property income.

If you receive one of these letters, it is important not to ignore it. HMRC asks landlords to review their position and take action by the deadline stated in the correspondence. Where there is undeclared rental income, HMRC expects the taxpayer to make a disclosure. If there is nothing to declare, HMRC should still be informed using the contact details provided.

The stakes can be significant. HMRC warns that if it later opens a compliance check or criminal investigation, any disclosure made at that stage may be treated as a "prompted" disclosure, potentially leading to higher penalties.

The letters also remind landlords to consider whether they have any capital gains tax obligations following the disposal of a rental property and whether they fall within MTD for Income Tax.
For landlords, the message is clear: ensure rental income is fully declared and maintain accurate records.

If you receive such a letter, please notify us as soon as possible, as we can help.

Date of Budget 2026 Announced

Chancellor promises stability

The Chancellor of the Exchequer, John Healey, has announced that Budget 2026 will be presented on 28 October 2026. Announcing the date, the Chancellor said that the Budget will ‘move money and power out of Westminster, and into every postcode around Britain’. He also stressed that the government would continue to meet its fiscal rules, adding that the Budget would provide businesses and families with the stability they need to plan for the future.

Alongside the Budget, the Office for Budget Responsibility (OBR) will publish its latest economic and fiscal forecast, reflecting its assessment of the government’s plans.

We will provide full coverage and analysis of the Budget announcements as details emerge, and as always, we will be sharing our Budget Summary of all the key announcements and information to be aware of.

In the meantime, if you have any concerns about how you may be affected by existing or proposed tax measures, please get in touch. We will be happy to discuss your circumstances and help you understand the implications.

HMRC Remind Parents To Use The Tax-Free Childcare Scheme

HMRC is reminding working parents about the Tax-Free Childcare scheme, which can help eligible families meet the cost of nurseries, childminders, holiday clubs, breakfast clubs and after-school clubs.

The campaign may also be of interest to employers in supporting working parents and improving employee wellbeing, particularly during school holiday periods when childcare costs can be a significant financial burden.

Families can save up to £2,000 per child

Under the scheme, the government adds £2 for every £8 paid into a Tax-Free Childcare account, providing support of up to £2,000 per year per child. The maximum increases to £4,000 per year for a disabled child.

Families can receive up to £500 worth of top-up money (£1,000 for a disabled child) every three months.

Parents can open an account for each eligible child and use the funds to pay approved childcare providers. According to HMRC, nearly 75,000 childcare providers are now registered to receive payments through the scheme.

Approved childcare includes nurseries, childminders, holiday clubs, breakfast clubs and after-school clubs.

While Tax-Free Childcare is often associated with younger children, HMRC reports that use of the scheme for children aged eight and over has increased by more than 20% compared with the previous year.

Eligibility

Families may qualify if they:

- Have a child aged 11 or under, or a disabled child aged up to 16.
- The parent and their partner (if they have one) earn, or expect to earn, at least the National Minimum Wage or Living Wage for 16 hours a week, on average.
- Each earn no more than £100,000 a year.
- Do not receive Universal Credit or childcare vouchers.

Once an account has been opened, funds can be used immediately or saved for future childcare costs, and unused money can be withdrawn at any time.

Tax-Free Childcare can be used alongside government funded childcare hours, if eligible.

To find out more and apply, see:
https://www.gov.uk/tax-free-childcare

Making Tax Digital for Income Tax First Quarter Statistics Published

HMRC to begin signing up taxpayers they believe need to register

Under Making Tax Digital (MTD) for Income Tax, sole traders and landlords with income of more than £50,000 have been required to keep digital records and send quarterly updates to HMRC since 6 April 2026.

The first quarterly submission deadline, covering the first three months of the 2026-27 tax year, passed on 7 August 2026. HMRC have since issued a press release confirming that 436,000 taxpayers filed their first quarterly tax update by the deadline and reminding those who have not submitted their update to do so using HMRC-recognised software.

Slow uptake

HMRC's press release reveals that as of 12 August 2026, over 570,000 taxpayers had signed up for MTD for Income Tax.
In August 2025, based on 2023-24 figures, HMRC estimated that some 864,000 taxpayers would need to sign up from April 2026, meaning that around one third of taxpayers who should have registered for MTD for Income Tax from April 2026 had not signed up.

HMRC's response

From September, HMRC will sign up taxpayers who are required to use MTD for Income Tax for 2026-27, but who have not yet registered for the service themselves.

Taxpayers can avoid being signed up by HMRC by signing themselves up now, ensuring their MTD details are correct at the outset.

If you receive a letter from HMRC about being signed up, please let us know and we will be pleased to help you navigate the sign-up process.

MTD for Income Tax should not be ignored, with HMRC reminding taxpayers that it is a legal requirement for sole traders and landlords earning more than £50,000 from self-employment and property to comply, unless exempt (e.g. due to digital exclusion).

Taxpayers are also reminded that from April 2027, those earning more than £30,000 from self-employment and property will be required to comply.

Penalties

While HMRC have confirmed that there will be no penalty points for late quarterly updates in 2026-27, penalties will still apply for late tax returns and late payments.

Quarterly updates do not replace the Self Assessment tax return.

Those within scope of MTD for Income Tax must submit their quarterly updates in order to file their tax returns by 31 January.

A points-based penalty system will be introduced from 6 April 2027.

Taxpayers will receive one point for each missed quarterly deadline and a £200 fixed penalty once four points have accumulated.

If you have not yet registered for MTD for Income Tax and are concerned that it may apply to you, or you receive a letter from HMRC about registering, contact us as soon as possible so we can help you assess your obligations.

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Update on Government's Small Business Plan

Progress update on late payments, tax administration, finance access apprenticeships. The government has published a one-year-on update to its Small Business Plan, which is intended to support small and medium-sized business to start, scale and grow. Key highlights from the report include:

Late payment

The Small Business Protections Bill was laid before Parliament in May 2026. The new legislation includes stricter maximum payment terms, mandatory interest upon late payments, increased board-level scrutiny of large company payment practices, and stronger powers for the Small Business Commissioner. The report reveals that the Small Business Commissioner recovered £1.5m in late payments for small businesses, a significant increase on previous years.

Tax administration

Various reforms were introduced as part of Tax Update 2026 which are expected to reduce administrative burdens on business. The government also cites Making Tax Digital (MTD) as a time-saver, and notes that all VAT invoices will have to electronically by April 2029. Whether businesses see these changes as easing their administrative burden may be another story.

Access to finance

The British Bank's financial capacity was increased to £25.6 billion at Spending Review 2025, allowing it to boost access to finance for SMEs. The Growth Guarantee Scheme is also being expanded so that by 2028-29, total SME lending supported through the scheme will increase to £3.35 billion per year. The Start Up Loans Programme is being expanded to deliver at least 85,000 loans over the next five years and broaden eligibility so that businesses trading for up to five years are included. This will be a considerable step up from existing lending. Between August 2025 and May 2026, the programme has made 9,551 loans.

Apprenticeships

The apprenticeship system is being simplified to make it simpler and easier for small businesses in England to take on apprentices. UK businesses can now access the new Youth Jobs Grant that pays £3,000 for every eligible young person they hire.

If you would like help with your business processes or support with tax or accessing finance, please give us a call. We're here to help you!

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Mandatory Payrolling of Benefits in Kind: Actions to Take Now

The tax rules on Benefits in Kind (BIKs) are changing.

From 6 April 2027, Phase 1 of HMRC's 'Mandatory payrolling of Benefits in Kind and expenses' comes into force. Phase 1 will apply only company cars, car fuel, vans, van fuel and medical benefits.

Mandatory payrolling for most other benefits will be introduced from April 2028.

Employers will need to begin preparing for the changes, which will include ensuring that payroll software and processes are correctly set up.

However, to avoid employees being surprised, employers should also consider communicating the changes to their staff.

Early communication is key to making sure staff will understand how this change may affect their tax code and take-home pay.

What to explain

It would be good to help staff understand that if they currently pay tax in arrears on BIKs they will not do so from April 2027 onwards for any BIKs that are included in Phase 1.

Many employees may not realise this is how they are paying tax on BIKs, and that next year they will pay tax on their BIKs for cars, vans, fuel (for both cars and vans) and medical benefits in the year they receive them.

They may currently have a deduction in their tax code so they pay tax on an estimated benefit. This will no longer be the case from April 2027.

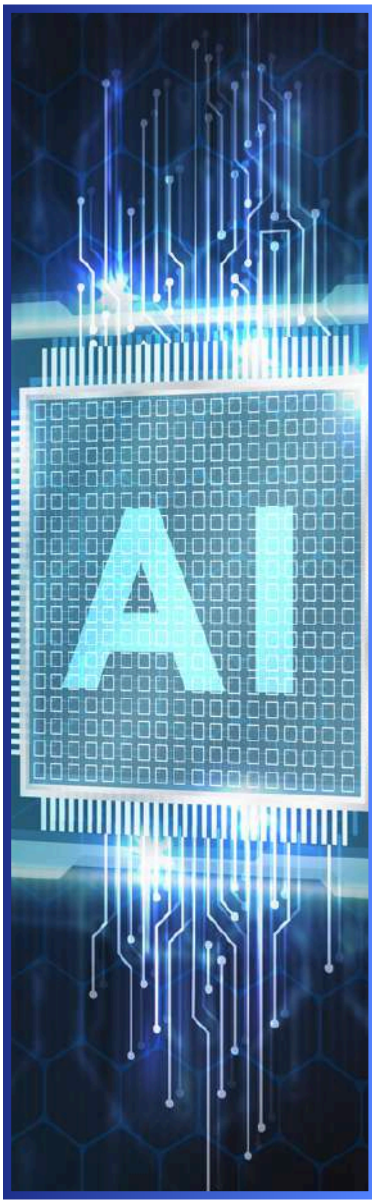
Tax on Phase 1 BIKs must be paid in real time in the year they are received.

What this means in practice is that some employees could end up paying tax in real time on some benefits they are receiving in 2027-28, while at the same time also be catching up with payments for any BIKs from the previous tax year.

It might seem to them that they are paying tax twice. This is not the case but could be confusing if it is not explained.

Employees can be advised to contact HMRC to discuss options based on their circumstances if this overlapping taxation causes them hardship.

Should you have queries or need advice on payroll or BIKs, please get in touch. We'd be glad to help.



AI Pricing Leaves Businesses Struggling to Predict Costs

According to a recent BBC report, businesses investing in Artificial Intelligence (AI) are finding it increasingly difficult to predict what their technology bills will look like, as reliance on AI increases.

Software purchasing is generally straightforward in that businesses typically pay a fixed monthly or annual fee based on the number of users or licences required. However, AI charges are increasingly being linked to usage rather than simple subscriptions.

Many AI tools are priced according to "tokens", the units used to measure how much information is processed used by an AI model. While this may make sense to an AI provider, for businesses it can be difficult to estimate how many tokens employees will consume in normal day-to-day use. As AI systems become more capable, the problem becomes more pronounced. New AI "agents" can carry out multi-step tasks. A user might only make a single request; however the system could perform numerous tasks in the background. This makes the eventual costs even harder to predict.

Some organisations are finding that staff are using up tokens more rapidly than they anticipated. This uncertainty has prompted them to monitor AI more closely and reassess which tools are providing them with the best value for money.

Businesses that increasingly use AI for their own processes will also need to consider how they pass on the costs to their own customers. This can be challenging when the costs are fluctuating from month to month.

Many smaller businesses are currently able to use flat fee accounts, which avoids unpredictability. However, Goldman Sachs is forecasting that between 2026 and 2030, token consumption will increase by 24 times. As a result, AI firms are likely to come under increasing pressure from their shareholders to raise their fees.

For businesses then, the current challenge is not just whether to adopt AI, but also how to ensure that its benefits outweigh what could become an unpredictable bill.

Energy Prices Set to Rise

Energy regulator Ofgem has announced a 4% increase in the energy price cap for the period covering 1 October to 31 December 2026. This increase reflects higher wholesale gas prices due to the ongoing conflict in the Middle East, with volatile global gas markets remaining the dominant driver of price changes.

This includes the government's removal of VAT from all domestic electricity bills. While this price cap increase does not directly affect businesses, as the cap applies only to domestic customers, the indirect effect of rising wholesale energy prices is likely to push the costs of commercial contracts upwards.

The energy price cap protects around 22 million households on default tariffs by limiting the maximum rates and standing charges that energy suppliers can charge. It is updated every three months to reflect changes in the underlying costs of supplying energy.

To discuss how riding costs could impact your business, please do get in touch.

Business Optimism Rises
(Sort Of)

Andy Burnham's first visit to take Prime Minister's Questions in Parliament came just as the country's 10-year borrowing costs rose to levels only seen during the credit crisis.

Even worse, the yield on a 30-year gilt hit 5.89%, the highest level since 1998. While Mr Burnham sought to reassure political opponents and the City of London that his government would maintain fiscal responsibility, pointing out that Britain was cutting its deficit faster than any other G7 country, the effective cost of borrowing is likely to grow.

For companies and households, it could be bad news. Mr Burnham did not rule out more tax hikes in the upcoming October budget, if only to maintain current government expenditure. That doesn't include the demands to increase defence spending. And as far as bond buyers are concerned, debt levels stand at 98.2% of Gross Domestic Product (GDP), their highest since 1960. That makes them nervous.

But what has spooked the market is more systemic. Debt levels in the US are at 120%, and many countries in the EU see debt levels in excess of 100%.

And the UK can no longer rely on the domestic pensions industry and insurers to be the buyers of gilts. In 2000, nearly 70% of gilts purchased were bought by this sector. It has fallen to around 20%.

The global reality is that borrowing costs in US, Japanese and European bond markets have seen multi-decade highs in market interest rates. In other words, investors have a lot of choice when buying government debt and the interest rates they get. They're also getting pickier in assessing macroeconomic risk.

There's also more competition for the cash to buy the bonds.

Andrew Bailey, the governor of the Bank of England, has already warned G20 finance ministers that Artificial Intelligence (AI) could cause a global economic downturn.

Apart from the cybersecurity risk to financial systems, he acknowledged that AI and AI-related projects have been sucking money from investors at levels not seen before. Much of this investment has come from credit markets and debt for financing.

These investments have also produced over-priced stock markets at levels not seen since the dot.com crash, increased levels borrowing by both retail and institutional investors along with huge concentration of money into a small number of major technology companies.

All are elements of global economic risk. What may be of more immediate concern though is the pressure on inflation. Periods of inflation result in interest rate hikes. The conflict with Iran has so far had little impact on the UK. Expected oil price rises haven't been fully realised as China has reduced demand, and other producers have increased production.

The closure of the Strait of Hormuz is expected to begin to bite though, and affect UK energy prices.

North Sea Gas prices have more than doubled this year. The UK gets about half of its gas from the North Sea, with the rest from Norway and the USA. Currently, the price of natural gas in Britain is eight times higher than in the USA.

With rising energy costs, inflation will again go up, followed by interest rates. Of course, times of uncertainty also create opportunities. However, these economic signals suggest businesses should plan for the potential of higher costs and borrowing costs.

If you need any help with forecasting costs or if there are ways to reduce your borrowing costs, please contact us. We'd be happy to help you.

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What Should Your Employment Law Reform Priorities Be?

Acas Provides Advice and Resources for Employers

Acas's Julie Dennis has set out how HR teams should approach the Employment Rights Act 2025, one of the most significant changes to UK employment law in recent years, which became law on 18 December 2025 and is being phased in through 2026–2027.

Several changes are already in force, including:

- Statutory sick pay from day one (with the lower earnings limit removed).
- Day-one paternity and unpaid parental leave rights.
- A new bereaved partner's paternity leave.
- Stronger whistleblowing protection for those reporting sexual harassment.

For these changes, employers should have already reviewed related policies, payroll, and manager guidance, and communicated with staff. It is important to be clear that day-one leave rights don't always mean day-one pay rights.

Further reforms are still to come, covering unfair dismissal, harassment, flexible working, and zero-hours contracts, meaning businesses need a staged plan rather than treating this as a single change with one start date. This should not be a single compliance project; regular policy reviews will be essential, and businesses should not wait for the remaining reforms to take effect.

The compliance environment is also tightening. The new Fair Work Agency will consolidate enforcement powers, and employers must keep compliance records for six years, including holiday pay and annual leave records.

Acas recommends businesses:

1. Know the timeline: separate what has already changed from what is expected later.
2. Prioritise policy and contract review, especially sickness, family leave, flexible working, harassment, dismissal and records.
3. Train line managers. They need to understand the processes they are expected to follow and feel confident having early, fair and consistent conversations.
4. Strengthen compliance systems. Review how decisions are recorded, how evidence is kept and how employees are told about their rights.

Acas points readers to its dedicated Employment Rights Act 2025 hub and a free recorded webinar for further detail.

Companies House Brings the Changes

Companies House has changed its login process and from December objections to a limited company being struck off must be made through its 'Make an objection' online service.

As of last month, all new users must use a GOV.UK One Login to find and update company information services. For existing users with a registered account, their current login details will continue to work with the option found further down the login page. These account login details will have to be moved to the GOV.UK One Login system in the future and users will be told by Companies House when to do it.

A GOV.UK One Login allows the use of one email address and password to access many government services. To sign in, individuals will need an email address, password, and a second check (Multi-Factor Authentication) using an authenticator app or SMS.

Shared Companies House accounts

If a business currently has a team sharing an account to access Companies House records, it should prepare for change. Each GOV.UK One Login must belong to one person.

To avoid problems, each person who needs access should create their own Companies House account linked to their own GOV.UK One Login. Sharing a single account after linking to GOV.UK One Login can trigger security checks that lock users out.

Objections

From 1 December 2026, objections to a limited company being struck off must be made through the 'Make an objection' online service and email objections will no longer be accepted. Companies House says this change will make submitting objections easier, quicker and more secure.

Do You Need to Pay Tax On Your Side Hustle?

Those who have turned their hobby into a side hustle are being reminded by HMRC that their income from these activities may be taxable.

With wedding season in full swing, some may be making some extra income from selling wedding stationery, filming a first dance or cake-making. Tax rules mean that if you earn more than £1,000 from your side hustle in a tax year, you may need to complete a Self Assessment tax return and pay tax.

The £1,000 threshold is a combined total. A person that has multiple sources of side hustle income would need to add the earnings of each source of income together before determining whether their earnings exceeded the threshold. Selling unwanted items is unlikely to need reporting to HMRC, however selling goods for a profit, or providing a service for payment is likely to be considered trading and may need to be declared.

If you'd like help to know whether you need to pay tax on your side hustle, please get in touch. We'd be happy to help you.

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Thank you for reading!

As always, if you have any questions about how these updates affect you or your business, please don't hesitate to get in touch with our team of experienced accountants and financial advisers.

See you next month!

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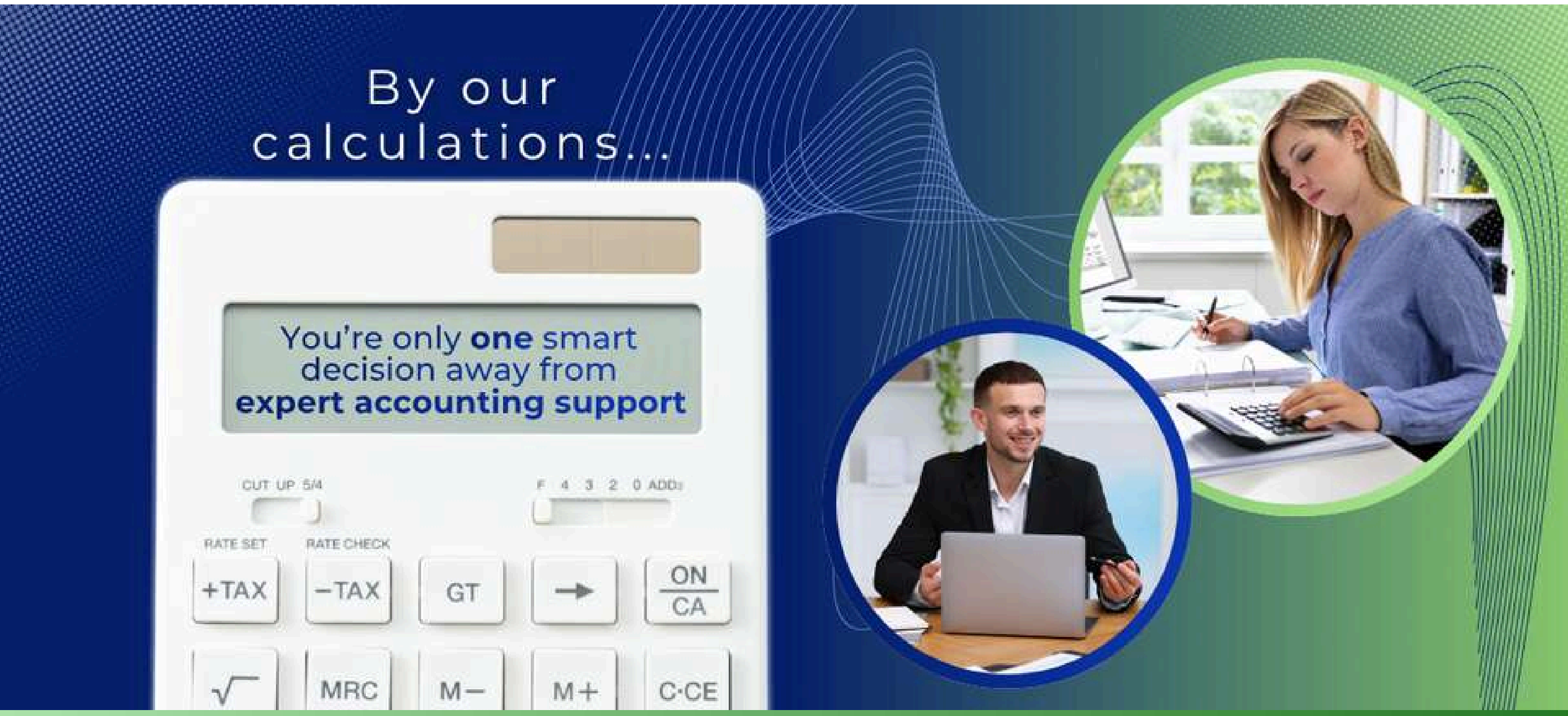

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