

HAZLEWOODS

GENERATIONS AND PEOPLE IN BUSINESS

INSIDE

GENERATIONS IN BUSINESS

DEVELOPING SKILLS FOR THE
21st CENTURY WORKPLACE

EMPLOYING GENERATION Z

HAZLEWOODS

DRIVING LIFELONG PROSPERITY



ABOUT US

Hazlewoods is one of the UK's Top 30 independent Business Advisers and Chartered Accountants, with an established sector expertise that is hard to find elsewhere. Hazlewoods Financial Planning ranked 13th in the Financial Times Top 100 Financial Advisers 2019.

Hazlewoods has provided specialist accountancy, tax, audit and business advice to individuals and businesses of all shapes and sizes since the practice was founded by Marcus Hazlewood in 1919.

We have over 380 staff in two offices across Gloucestershire, who work with our clients locally, nationally and internationally.

Cheltenham office:

Windsor House, Bayshill Road, Cheltenham, GL50 3AT
Tel: 01242 237661

Staverton office:

Staverton Court, Staverton, Cheltenham, GL51 0UX
Tel: 01242 680000

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Welcome...

As many of you will know, Hazlewoods celebrated its first centenary year in 2019. What a year it turned out to be, with our key achievement being all our staff working together to raise over £105,000 for Maggie's in Cheltenham. This money will now be used to fund a new staff member, and also fit out part of Maggie's planned building extension.

At our staff conference in July we all took the time to share thoughts on 'What makes Hazlewoods different?' and following some insightful presentations from brave, mainly younger, colleagues, we had some fascinating discussion around the wide range of generations we have working here. This has prompted the theme for this edition of our magazine, which is the generations and people in business.

Perhaps for the first time in history, many businesses have five generations of people working for them, which is quite a remarkable thought. We have taken a look at them, and not only how they work together in today's workplace, but also how businesses manage the variety of thoughts, skills, opportunities and challenges that this brings with it.

We have included some great interviews with clients, sharing their views on people in their workforce. The Chartered Institute of Personnel and Development (CIPD) has also kindly provided us with some insight into what it believes it takes to develop the skills of the 21st century workplace.

Our Payroll team has looked at a number of different areas you may need to consider when employing those from Generation Z (born post-1996), and two of our Associate Directors provide a breakdown of all of the key generation demographics and how they are likely to contribute to your workforce.

I hope you will find this issue useful and thought-provoking, and many thanks to everyone who has taken time to contribute and make it all possible.



JON CARTWRIGHT

Partner

01242 237661

jon.cartwright@hazlewoods.co.uk

PEOPLE IN BUSINESS

Each generation brings their own unique skills and insight to the workplace; in this edition we have taken the opportunity to discuss with business leaders the importance of their workforce in the success of the business. Discussions have ranged from working together and introducing changes to the need to develop skills in order to progress.

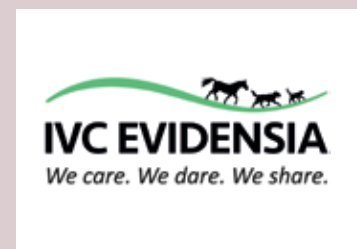
BUSINESS LEADER OPINIONS

IVC EVIDENSIA

Graham Avent (page 6)

Fifty per cent of the UK population owns a pet, according to the PDSA's PAW Report 2019. So, as a nation of animal lovers, it would perhaps come as no surprise that IVC Evidensia has gone from strength to strength with a model that has revolutionised the veterinary industry.

Graham Avent, Director of Marketing at IVC Evidensia, explained how the business model developed and how their people and the employees of the veterinary surgeries that they acquire, work together to deliver a quality service for the nation's pet owners.



STEWART GOLF

Mark Stewart (page 8)

Stewart Golf was founded in 2004 with the intention of designing and building the world's finest golf trolleys. As a company owned and run by engineers, including co-founder Mark Stewart, it is no surprise that they have taken steps to make sure the company is working efficiently in every area to ensure success.

We spoke to Mark about how the company recently introduced some changes that included all of their people in order to progress.



CIPD

Katie Jacobs (page 10)

The last annual (2018) Cognitive Proficiency Index/Pearson report on skills and education found that two-thirds of employers fear there will be a lack of sufficiently skilled people to fill vacancies. Katie Jacobs from the CIPD explains how macro factors like the UK's ageing workforce and technological drivers bring the critical need to re-skill and re-train those already in work.



HLB

Marco Donzelli (page 12)

People are often the greatest asset of an organisation, but they can also be the biggest liability when it comes to cybersecurity. Despite the best efforts of corporations and governments to solve technological vulnerabilities, they only work if the people using these online resources take the necessary precautions. In the end, those who do what is necessary to create a secure, yet flexible work environment will have a competitive advantage that will more than pay for the cybersecurity efforts that have to be made.



EXPERT OPINIONS

Possibly for the first time in history, the modern workforce is home to five different generations:

- Silent Generation (< 1945)
- Baby Boomers (1946 - 1964)
- Generation X (1965 - 1980)
- Millennials (1981 - 1996)
- Generation Z (< 2012)

Which begs the question, how do you lead and manage an organisation made up of 70-year-olds, 30-year-olds, 16-year-olds and everything in between? These generations are categorised not only by their ages, but by their preconceptions, their worries and doubts, their areas of confidence, their areas of compromise, and indeed no compromise.



Growth Hub, Ross Jukes,
Marketing Manager

We asked three of our most experienced leaders for their input:

“ I would suggest that you focus first on the mission of the organisation, especially if it has a CSR/community aspect as well. I have learned (slowly!) that staff are much easier to manage if they feel engagement with the principle focus of the company. Micro-management is to be avoided at all costs, company ‘re-organisations’ including applying for your own job, should be outlawed. And so, treat all staff and colleagues, of whatever age, with respect, and trust as the default position. Oh, and build in some fun!”

Charles Dodwell
Project Manager at Start
and Grow Enterprise

“ High quality communication solves most problems. This means messages delivered by leaders, in-person, via meetings where everybody attends. This ensures trust and credibility is maintained at all times, particularly during challenging phases like mergers and acquisitions. When employees feel connected to the organisation, they feel connected to each other.”

Peter Brown
Business Guide at
The Growth Hub

“ Businesses that adopt ways to create opportunities for their employees to bond and socialise reduce the problem of age diversity. Plan team-building days, away days, road trips, support a charity for a day, lunches and so on, where employees from all age groups are invited. This will help to build a friendly and enjoyable work environment.”

Dev Chakraborty
Deputy CEO at
GFirst LEP



FSB, Sam Holliday,
Development Manager
for Gloucestershire

How do you spot a leader in business? There are countless books on this subject but the reality is every single person in business already has leadership qualities – many just don’t realise it.

There are, for example, millions of self-employed, sole traders in the UK and some may argue they are not traditional leaders because they ‘only’ run one-man bands. However, the hardest thing of all to lead is your own business – if you can’t motivate,

inspire and enthuse yourself then you’ve got no chance with others.

So, if you want to discover leadership in business don’t look for the big companies with the big names and big egos, just look around you at the business people you meet on a day-to-day basis – every one of them is leading in their own way and every one can probably teach far more about self-motivation than many of those library books.

INTERNATIONAL BUSINESS VIEW



IVC Evidensia

THE VETERINARY GROUP PUTTING PEOPLE AND THEIR PETS FIRST

Fifty per cent of the UK population own a pet, according to the PDSA's PAW Report 2019. So, as a nation of animal lovers, it would perhaps come as no surprise that IVC Evidensia has gone from strength to strength with a model that has revolutionised the veterinary industry.

IVC Evidensia started as a small group of practices in the UK in 2011 and following a merger with Evidensia in 2017, IVC Evidensia now consists of a network that spans 11 countries, 1,350 sites, over 19,000 members of staff, and is the largest veterinary business in Europe.

Graham Avent, Director of Marketing at IVC Evidensia, explained how the business model developed and how their people and the employees of the veterinary surgeries that they acquire, work together to deliver a quality service for the nation's pet owners.

GROWTH BY ACQUISITION

The fast growth by acquisition that has been achieved by IVC Evidensia may conjure images of aggressive takeovers and faceless conglomerates, but from speaking to Graham it is clear that IVC Evidensia is much more people focused than you might expect.

It is no secret that one of the pitfalls of a business that grows by acquisition is the failure to combine the cultures of the two companies, but IVC Evidensia works differently and has developed their role as a parent company to be one that supports their staff and surgeries, and works to create bespoke solutions that maintain the independent spirit of each of the practices.

MAINTAINING PRACTICE HERITAGE

The first key principle of IVC Evidensia is its belief in people; ensuring the practices are supported by expert teams, and that staff working within them are satisfied and have access to development that keeps them at the top of their game, is of paramount importance.

Veterinary surgeries are at the heart of the communities they operate in and preserving the heritage of the local family vet



is what IVC Evidensia does so well. What speaks volumes of how the business manages the acquisition of practices and the ongoing process of supporting the surgeries, is the overwhelming majority of owners who continue to run practice after the selling. The setup does not change; it still feels like their own practice and, importantly, the experience is still the same for the customers.

The overarching change that veterinary practices experience is the support system that comes with being part of a larger group, which only seeks to enhance the existing offering to customers. What was once a small independent practice now has the backing of the research and learnings that come from being part of a much wider network but with the continuity of the familiar faces and existing relationships, which are so important for any business in the service industry.

KEEPING PEOPLE AT THE HEART OF THE BUSINESS

IVC Evidensia works hard to create bespoke solutions for every surgery that they acquire via head office teams devoted to practice development, digital, the health club and other management services. The scale of the business allows for the sharing of best practice across the group whilst also supporting surgeries on an individual basis.

Further to this, Graham explained that the clinical boards that operate in every country are key to IVC Evidensia to managing a successful commercial business, whilst understanding the needs and wants of its staff and customers.

The clinical boards were created as a link between executive management and clinical staff; their aim is to ensure that doing the right thing is at the heart of the decision-making process. When it comes to decisions on patient safety, clinical excellence, welfare, and purchasing, the clinical team advise on what they consider to be the best approach, and this is the driving force in the route chosen, often ahead of the finances.

Graham concluded by explaining that the group tagline in the Netherlands directly translates as 'better together'. This perfectly sums up the approach that IVC Evidensia has taken by combining the personal approach of the local veterinary surgery, with the scale of a much wider network, and sharing the knowledge and experience of them all to the benefit of their customers.

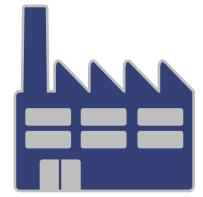


MEET THE DIRECTOR OF MARKETING

Graham Avent

Prior to joining Independent Vetcare (now IVC Evidensia in 2011, Graham worked at Honda UK and Ford Motor Company predominantly in Sales and Marketing, and PR. His final two roles in the industry were Regional Operations Manager for the south and Head of Corporate Sales at Honda UK. He is upwardly managed by his two sons and a very needy Cocker Spaniel called Sweep.

MANUFACTURING BUSINESS VIEW



Stewart Golf

THE ENGINEERS WHO FOCUS ON ENGAGEMENT AND EFFICIENCY

Stewart Golf was founded in 2004 with the intention of designing and building the world's finest golf trolleys. As a company owned and run by engineers, including co-founder Mark Stewart, it is no surprise that they have taken steps to make sure the company is working efficiently in every area to ensure success. We spoke to Mark about how the company recently introduced some changes that included all of their people in order to progress.

NATURE VERSUS NURTURE

It would be an interesting debate to discuss whether entrepreneurialism is something you are born with or something you learn through your experiences; in the case of Mark's family, there is certainly an argument for a little bit of both. With his father having set up and subsequently sold his own business, and his brothers also

having their own businesses, it just seemed a natural step to Mark for him to do the same.

The development of Stewart Golf was slow and steady, starting as an idea on holiday as a 18-year-old. Mark then completed an engineering degree at Loughborough University in 2003 before finally launching the first Stewart Golf product in 2004.

Stewart Golf has changed dramatically in the last three to four years, which Mark puts down to the introduction of the revolutionary Bluetooth powered X9 Follow with a unique feature that enables the golf trolley to follow the operator down the fairways.

The business today has grown steadily from its origins and now boasts an international reach, with 50% of production being exported to 30 countries worldwide. All of this happens thanks to approximately 20 employees operating from a new factory and office space in Gloucestershire.

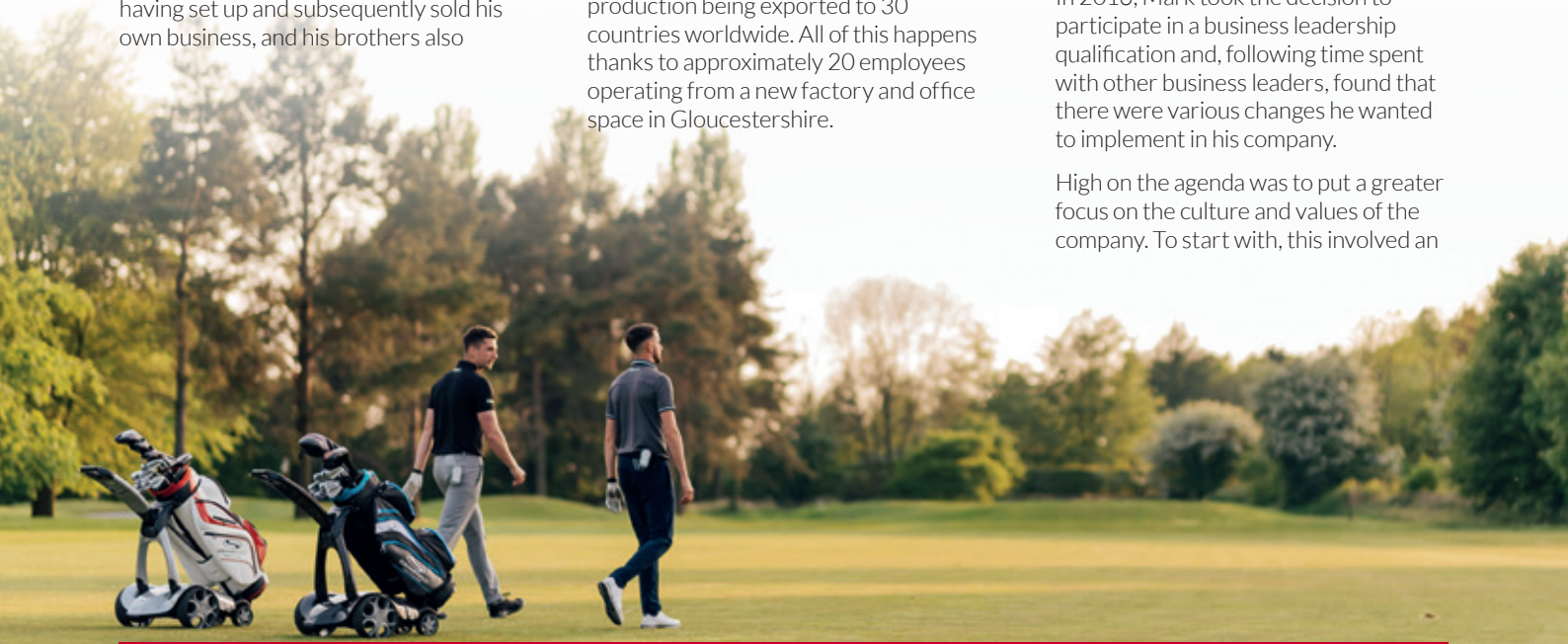


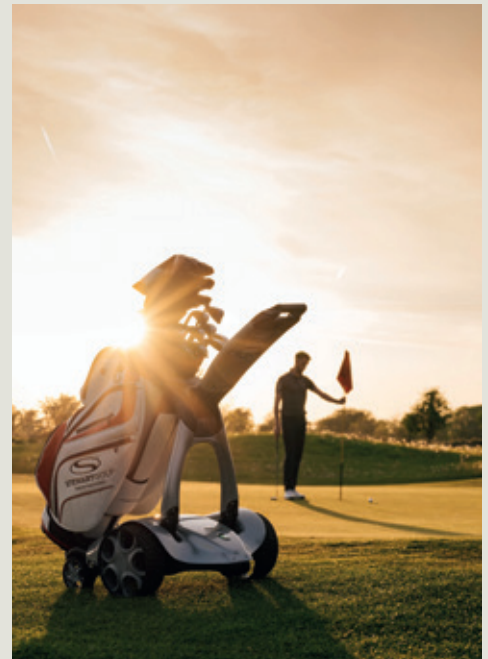
StewartGolf
GREAT BRITAIN

CONTINUOUS DEVELOPMENT IS KEY

Stewart Golf as a business follows a policy of continuous development, of both its products and its people. This development starts from the top. In 2016, Mark took the decision to participate in a business leadership qualification and, following time spent with other business leaders, found that there were various changes he wanted to implement in his company.

High on the agenda was to put a greater focus on the culture and values of the company. To start with, this involved an





exercise in getting everyone together to describe their ideal colleague, with the aim of getting to a handful of core values that summed up the business and what everyone was working towards.

Mark admits there was some nervousness around getting staff to talk about how they felt and what they expected from each other, but the results of the exercise have only been positive for the development of the business and the activity engaged staff in a vision for what the company constantly strives to achieve.

Current values:

- Team player
- Professional
- Take responsibility
- Efficient
- Contribute
- Energetic

SAYING 'NO' TO AL DESKO

More than just a list of words, it was important for the management team that the emphasis on culture and values became part of everything that Stewart Golf does. In 2017, all production and office space was moved to a new premises in Quedgeley, which has not only allowed the team to become more productive and efficient, it has also encouraged a more collaborative working environment.

All staff members now have the same working hours, which is unusual for a manufacturing business, but has reduced the potential for a 'them and us' culture between production and office staff.

The new premises also includes a kitchen and staff social area, which

they did not have before, and to encourage time away from desks and manufacturing, working lunches or eating 'al desko' have been banned.

These are just a sample of the changes introduced and, although they may not seem revolutionary, they have all combined to create a working environment that is conducive to a positive work life balance and have engaged employees in the overall company vision.

The values activity has taken place a second time since the first round, with no company directors involved. Mark concludes that allowing the values to be totally staff driven and reassessed regularly ensures that they are constantly relevant for the company and everyone feels part of the success that the company achieves.



MEET THE CO-FOUNDER

Mark Stewart

Mark gained GCSE's & 'A' Levels in Maths, Physics and Design and Technology at Newent School before graduating from Loughborough University in 2003 with a degree in Manufacturing Engineering & Management.

Mark won a 'Young Businessperson of the Year' award in 2009, and an 'Outstanding Leadership' award in 2018 after

completing a Postgraduate Diploma in Leading Business at the University of Gloucestershire.

Mark has been married for 10 years to his wife Alexa and they have two young children. They live in Cheltenham. Outside work and family life Mark enjoys triathlon, cycling, DIY and the occasional round of golf!

DEVELOPING SKILLS

FOR THE 21st CENTURY WORKPLACE

There's no shortage of data telling a story around a skills mismatch between employers and the labour force.

The last annual (2018) Cognitive Proficiency Index (CPI)/Pearson report on skills and education found that two-thirds of employers fear there will be a lack of sufficiently skilled people to fill vacancies. Macro factors like the UK's ageing workforce and technological drivers like the rise of automation compound the issue and bring the critical need to re-skill and re-train those already in work to the fore.

Businesses of all shapes and sizes are grappling with this. No organisation can be successful without the appropriately skilled people they need to produce their products and deliver their services (or oversee those robots doing it...). Business leaders have a huge role to play here, in everything from evolving recruitment processes, providing meaningful work experience opportunities to young people and developing cultures of continuous learning within their organisations.

We know that in a shifting world of work, uniquely human skills are becoming more important. Study after study from organisations such as the World Economic Forum, the

Organisation for Economic Co-operation and Development (OECD) and Nesta shows these essential and eminently transferrable skills – communication, team working, creativity – are most highly prized by employers. Sometimes these skills are referred to as soft skills, but I dislike that term, as we all know that they are some of the hardest skills to find, develop and display personally. At an HR director dinner I recently hosted discussing this topic, one people director reflected that getting her leadership team to consistently display such skills is one of her toughest challenges.

One overarching issue in this space is a lack of a common language when discussing these essential skills, something that employers, education providers and individuals can refer back to. That's why the CIPD is collaborating with a number of other organisations including the Careers and Enterprise Company and The Gatsby Foundation to form an Essential Skills Task Force. Its aim: to agree a universal framework for essential skills: one which is clear, measurable and authoritative.

We have recently convened two senior-level events around this important topic: the aforementioned HRD dinner in London and an HR leader event in Northern Ireland (NI). Our expert panel of speakers at the latter: the Department for the Economy's Michael Gould, Gareth Hetherington, director of the Ulster University Economic Policy Centre (UUEPC), Northern Ireland Electricity (NIE) Networks HR director, Gordon Parkes, and Lizzie Crowley, CIPD skills adviser.

The CBI/Pearson report for Northern Ireland found that almost three-quarters of employers in the region lack confidence they can fill highly skilled roles. The NI Skills Barometer, produced by UUEPC, finds a skills mismatch, with oversupply in certain areas like teaching and undersupply in others, namely Science, Technology, Engineering and Mathematics. It also calls out the need for a focus on employability and essential skills, and the need to provide highly varied routes into work, for example vocational training and apprenticeships.

Both events raised some wide-ranging themes, which should give people professionals plenty of food for thought. They include:

- The importance of aligning all organisational skills development clearly to the business strategy and growth areas. At NIE Networks, for instance, the business focus is on all energy being carbon free by 2050, so skills development must support making this vision a reality.
- The need to address perceptions of vocational pathways and sector attractiveness among parents and young people. As Gareth Hertherington pointed out, parents see apprenticeships as 'for other people's kids', and some sectors don't have a skills shortage issue, they have a general attractiveness issue.
- As technology increases the possibilities for automation, people professionals need to take a leadership and influencing role in considering the impact on organisational and role design, and the ethical questions inherent in automating for efficiency. Anecdotal evidence suggests automation can improve job quality, but people need support in moving up the value chain. HR needs to be asking challenging questions of the business: where should we invest in new technology? What is the impact of doing so on people and society more widely? Just because we can do something doesn't necessarily mean we should.

- Skills development doesn't stop when we leave the education system. We need to instil cultures of lifelong learning within our organisations. In a world of change, the ability to respond with learning agility will be critical to people remaining relevant and productive.
- Preparing young people and those already in the labour market for the changing world of work means employers, educators and policymakers pulling together in the same direction. The Essential Skills Task Force aims to enable this, as do forums bringing those people leaders with the ability to make a difference in their organisations and communities. Please do get involved to ensure the workforce of today and tomorrow is equipped with the skills they need to thrive in the 21st century workplace.



KATIE JACOBS

Senior Stakeholder Lead, CIPD
The professional body for HR and people development



PEOPLE, ENVIRONMENT & TECHNOLOGY:

A three-pronged approach to reducing cybersecurity risk

The number and variations of successful cyber-attacks is increasing daily, and as such cyber security risk has become a top priority for CEOs across the globe. The impact of cloud solutions, increased connectivity between organisations and the vast amounts of data generated by digital technology have had a great impact on the way we conduct business, while making us more vulnerable to cyber threats. While none of this is new, how we use digital technology and protect our data is constantly in flux. As organisations continue to embrace the greater flexibility and efficiency that cloud solutions and remote work provide, the risk of security breaches rises. So how can businesses enjoy the greater productivity and strategic advantage that technology brings without putting their data, customers, and reputation at risk? The solution is complex, as the best practice to reducing cybersecurity risk is a three-pronged approach: People, Environment and Technology.

PEOPLE

People are often the greatest asset of an organisation, but they can also be the biggest liability when it comes to cybersecurity. Despite the best efforts of corporations and governments to solve technological vulnerabilities, they only work if the people using these online resources take the necessary precautions.

Think about it... who among us hasn't given a vendor access to a file or worked around firewalls to access protected information? When was the last time you changed your password to your company's cloud accounts? Do former employees still have access to your corporate servers? While businesses spend a great deal of time and money on keeping attackers out, all too often the people inside are knowingly – or more often unknowingly – inviting them in.

Obviously, educating users on how to work in safe ways is important. In many cases, however, these rules are followed more consistently if users are also educated on why rules are in place, how they are protecting the company and its data, and what can happen if they are not followed. We can't rely on technology alone to solve what are often human errors. However, if we approach it with the fact that humans are involved, and fallible, we are more likely to find sustainable solutions that work.

ENVIRONMENT

The increased popularity of flexible and remote work adds an additional layer of complexity in protecting ourselves from cyber-attacks. Traditional security architectures are built with perimeters, or firewalls, in place to keep those who shouldn't have access out. But an increased reliance on mobile and cloud technologies to operate a remote, mobile workforce make network perimeters increasingly difficult to enforce.

Most of us know better than to access protected data from the free WIFI at the local coffee shop, but password-

Hazlewoods is an independent member of HLB, a fast-growing, dynamic network of independent professional accounting firms and business advisers. Formed in 1969, HLB ranks in the top 12 international accounting networks, servicing clients through its member firms in 150 countries.



protected public access has major areas of vulnerability too. Even the latest WPA3 encryption standard, launched in 2018, has been found to have serious issues that allow data moving to and from the cloud to be intercepted.

Even with security measures like multifactor authentication in place, environment will continue to be a challenge. With the predicted exponential rise of the adoption of artificial intelligence (AI) in our day-to-day lives, criminals are already examining its potential for a new backdoor to information access.

TECHNOLOGY

Of course, the technology and how it is built to protect data will always be a factor to consider and address too. Cloud solutions and remote working are here to stay. In fact, a recent survey of IT decision makers in companies with revenue of more than US\$1 billion uncovered that 75% already use cloud applications regularly and 65% expect the number of cloud applications they use to increase as well.

With this greater flexibility and mobility comes increased risk of data breaches. Some of the larger players in this space are investing greatly in the security of their cloud applications in the hopes of assuaging the fears of users, gaining new users, and creating loyalty in current ones. For example, Microsoft invests over US\$1 billion annually on cybersecurity research and development.

Additionally, many governments are partnering with cloud providers to try to tackle the constantly evolving threats to data security. Former UK Business Secretary Greg Clark recently said, "With government and industry investing together as part of our modern industrial strategy, we will ensure that the UK is well placed to capitalise on our status as one of the world leaders in cyber security by 'designing in' innovative measures into our technology that protect us from cyber threats. This will also help us bring down the growing cybersecurity costs to businesses."

MINIMISE CYBERSECURITY RISK

Most businesses are already taking a hard look at the technology they use and how it can be improved to protect data and make customers feel secure. But what can be done on the people and environment side of things? Here are a few considerations.

LIMIT ACCESS TO THOSE WHO NEED IT

It can be a persistent challenge to create and constantly update the accounts that have permission to access certain files. But without these layers of protection in place, those with nefarious purposes can sneak in more easily. Data is as valuable, if not more, than financial assets. It is worth the effort to categorise that data, determine who really needs access, and update those permissions (and related passwords) on a regular basis.

EDUCATE TEAM MEMBERS ON WHY RULES ARE IN PLACE

Keep in mind that you can create rules, but they are only good if everyone follows them. According to a recent article in Diginomica, 79% of IT leaders believe that employees have put company data at risk accidentally in the last 12 months. Too many times a person in a hurry, or who thinks they are an exception, will skirt around the restrictions. This is often not malicious in any way; they simply don't understand the risk.

UPDATE PERMISSIONS ON A CONSISTENT BASIS

One of the most common ways that data is breached is through old accounts or outdated permissions. As people move in and out of the organisation, or into new roles, it is vital to immediately update their permissions appropriate to their role. This also applies to contractors and remote workers. And while you are at it, make everyone in your organisation regularly update their passwords and routinely review what you are storing on cloud servers.

CREATE RULES THAT APPLY TO ALL DEVICES

Your remote and more mobile employees work across multiple devices, including personal devices. Designed for continuous availability and connectivity, most tablets and phones lack much of the inherent security built into our computers. This is a risk, especially if your organisation has a bring-your-own-device policy. Educate your team about how to enjoy the flexibility and access these devices provided in a way that also protects your data and makes it hard for others to get in.

Based on this and many other factors, we expect investment in cybersecurity by businesses of all sizes will rise, as well as a growing demand for security talent worldwide. As business evolves, so will the ways criminals try to access our information and the tools we will need to prevent them from doing so. While AI can be used to hack a system, it is also being used to 'learn' to connect the dots between threats and provide actionable insights so companies can respond to them with greater confidence and speed. In the end, those who do what is necessary to create a secure, yet flexible, work environment will have a competitive advantage that will more than pay for the cybersecurity efforts that have to be made, and even more so, the cost of a serious cyber attack on your organisation.



MARCO DONZELLI
CEO, HLB

<https://hblb.global/>

GENERATIONS IN BUSINESS

There are increasing numbers of articles circulating about Millennials and the impact that they are having on the workplace. As with many other businesses, we discovered that the majority of employees at Hazlewoods are Millennials, and this proportion, along with their successors, the Generation Z-ers, is only going to grow. The attitudes and values of the younger generations clearly has an impact on how business will operate in the future.



SO, WHAT CAN EACH OF THE GENERATIONS CONTRIBUTE TO THE WORKPLACE?

Baby boomers (pre-1964)

- Optimistic
- Enjoy mentoring
- Strong work ethic

Millennials (1980 – 1995)

- Tech-savvy
- Collaborative
- Have a focus on greater good

Gen X-ers (1965 – 1979)

- Independent
- Innovative
- Strong communicators

Gen Z-ers (post-1996)

- Digitally fluent
- Practical
- Flourish in diverse workplaces

Source: report issued by CBRE, an American commercial real estate services and investment firm.

Whilst the key attributes of the Baby Boomers and Generation X-ers remain important for all businesses, those of the Millennials and Generation Z-ers open up huge opportunities for businesses that are willing to adapt. Adaptations that we may see in the workplace include:

WELLBEING

Many businesses have already made a conscious effort to implement wellbeing initiatives (Hazlewoods introduced a wellbeing initiative several years ago which includes an annual step challenge and mindfulness courses), but there is still a long way to go.

- [Employeebenefits.co.uk](https://www.employeebenefits.co.uk) found that two thirds of employees felt that their employers did not offer enough support for mental health in the workplace.

- Research by Bright Horizons and Working Families found a gap between those who wanted to work flexibly (86%) and those who actually did (49%).
- A 2017 YouGov survey of British businesses and employees found that 89% considered flexible working to be a key motivator to their productivity, but in the same year only 43% had some form of agile arrangement.

In a competitive recruitment market, having an impressive wellbeing initiative may become key in attracting and retaining great staff.

TECHNOLOGY

Technology should remove the administrative burden (those boring tasks!), allowing employees to work more efficiently, on more interesting tasks, and free up time to give more value to clients. Technology is constantly changing, and artificial intelligence tends to be a hot topic. This next step in technological development opens up exciting possibilities and, as Millennials and Generation Z-ers have grown up to be digitally fluent, businesses need to capitalise on this key strength.

However, it is worth bearing mind PwC's report 'Workforce for the future' that found "73% [surveyed] think technology can never replace the human mind."

CAREER SATISFACTION

In a separate 2018 PwC survey of 10,029 members of the general population based in China, Germany, India, the US and the UK reported 23% said 'doing a job that makes a difference is most important to their career.' As Millennials have a focus on the greater good, we can expect that this will become key in employees achieving job satisfaction.

To identify other characteristics that are important for achieving career satisfaction, we looked at staff quotes from those businesses ranked best to work for:

Honesty, work ethic, accountability, and teamwork are very important values at [this business]

*I feel both challenged yet **supported** every single day, and truly feel that I am making an impact.*

*Great colleagues, flexible working, excellent training, **innovative** and your opinions matter.*

Fantastic culture, smart, motivated, inspirational people who genuinely care about each other and their clients.

A staff peer group at Hazlewoods was set the challenge of identifying a set of values shared by all our staff and they came up with the following:

- **Honesty**
- **Supportive**
- **Excellence**
- **Approachable**
- **Innovative**

As you can see from the quotes above, not only are these the values for top business, but they are also what we, at Hazlewoods, share across every generation.

And what about a changing client base? Whilst clients may share the same key values, as our client base shifts to include more Millennials and Generation Z-ers, we can expect to see a change in how those businesses operate and what they expect from their service providers.

TECHNOLOGY

Technology facilitates the growth of small entrepreneurial companies, and these clients are doing more for themselves with the introduction of cloud-based accounting packages. This may mean that there is less demand for compliance work, but more training opportunities or advisory roles.

In addition, developments in technology mean that there has been a huge increase in the data available to our clients. Helping our clients use management intelligence to access and understand that data, and how to use it to improve their performance, is likely to be an increasing function of our role as business advisers.

SOCIAL RESPONSIBILITY

We have already identified Millennials' focus on the greater good: with teenagers like Greta Thunberg challenging world views on climate change and the David Attenborough effect on plastic straws, we can expect new emerging markets and development of socially responsible markets, like renewable energy, creating new sector specialism opportunities.

Social responsibility is also changing how we work, with agile working used to reduce carbon footprints; there has been a massive increase in the use of emails and remote conferencing facilities as alternatives to travelling for meetings.

Despite the changes in how we communicate, format of the information, and the way we interpret it, fundamentally our role is unchanged: we are still helping clients understand their figures and decide what to do with them. And as business advisers, the changing key attributes of our staff base provide the opportunities to ensure that we continue to improve the service we provide.



JENNY STAIGHT
Associate Director

01242 237661
jenny.staight@hazlewoods.co.uk



FELICITY SANG
Associate Director

01242 237661
felicity.sang@hazlewoods.co.uk

EMPLOYING GENERATION Z

There are many benefits to employing the younger generation; they offer a fresh perspective on things, come with the latest IT skills and a new joiner straight from school or college is unlikely have picked up any bad working habits either.

Studies have shown that over 80% of businesses that employed apprentices found their productivity increased as a result.

Another big plus of employing young people is the cost; the minimum wage for those under 25 is at least 50p less than those over 25.

Employer national insurance is also cheaper for those under 21 and for apprentices under 25 – employers only have to pay 13.8% on earnings over £4,167 rather than over £719.

Age	Minimum hourly rate 2019-20
25 and over	£8.21
21 to 24	£7.70
18 to 20	£6.15
School Leaver age - 17	£4.35
Apprentice*	£3.90

*Under 19 or 19+ and in 1st year of apprenticeship

APPRENTICES

Taking on an apprentice is a great way to employ someone new, for very little cost, whilst they study to gain skills specifically for that job role. Apprenticeships must last at least a year and the training course they enrol on should be with a local college or professional training provider.

The government provides funding to help towards apprenticeship training costs.

If you pay the Apprenticeship Levy (as an employer with a pay bill of over £3 million a year), then you'll receive funds to spend on training and assessing your apprentices, to which the government will add 10%.

If you don't have to pay the Apprenticeship Levy, you will pay 5% towards the training costs and the government will pay the rest up to a prescribed limit.

EMPLOYING UNDER 18s

There are extra practicalities to consider, for example, children can only start full-time work once they've reached the minimum school leaving age. In England, a young person must be in part-time education or training (including apprenticeships) until they're 18.

There are restrictions on when and where children are allowed to work.

Children are not allowed to work:

- places like a factory or industrial site
- during school hours
- before 7 am or after 7 pm
- for more than one hour before school (unless local bylaws allow it)
- for more than four hours without taking a break of at least one hour
- in most jobs in pubs and betting shops and those prohibited in local bylaws
- in any work that may be harmful to their health, well-being or education, or
- without having a two-week break from any work during the school holidays in each calendar year.

They may also need an employment permit if local bylaws require it and there may be other restrictions – check with your local council's education department.

There are also special rules which only apply during term times and school holiday times.

During term time children can only work a maximum of twelve hours a week. This includes:

- a maximum of two hours on school days and Sundays; and
- a maximum of five hours on Saturdays for 13 to 14-year-olds, or eight hours for 15 to 16-year-olds.

During school holidays 13 to 14-year-olds are only allowed to work a maximum of twenty five hours a week. This includes:

- a maximum of five hours on weekdays and Saturdays; and
- a maximum of two hours on Sunday.

During school holidays 15 to 16-year-olds can only work a maximum of thirty five hours a week. This includes:

- a maximum of eight hours on weekdays and Saturdays; and
- a maximum of two hours on Sunday.

Employing Generation Z can have great benefits for your business, but make sure you understand how this should work in practice first. For more information on having generation Z on your payroll, contact Adele Webb.



ADELE WEBB

Payroll Solutions Technical Support

01242 237661

adele.webb@hazlewoods.co.uk

LEADERSHIP



HAZLEWOODS

DRIVING LIFELONG PROSPERITY

FINANCIAL PLANNING LLP

COULD LACK OF PLANNING BE COSTING OUR BENEFICIARIES?

As a nation we're a sentimental sort, keen to leave both money and heirlooms to our family and friends, our recent survey has revealed. Making financial gifts to loved ones in their will is the top priority for 59% of the population, with more than half (52%) placing leaving heirlooms in second place.

But, where we are making them the top priority in our wills, it may be costing family and friends down the line as we fail to prioritise thoughts of taxes and fees. More than a third of the population placed making provisions for taxes and fees as their lowest priority.

Along with the findings of our latest research, we offer a caution to generous Brits that a lack of simple financial planning could be costing their descendants dearly.

Nicholas Smail, Partner says:

"It's understandable that leaving money and heirlooms to family or friends were the top priorities for many when making a will.

"But with that in mind, we are asking a simple question; what if yesterday had been your last, do you know what your inheritance tax liability would be? With the majority of respondents placing taxes as a low priority, the answer is probably 'no'.

"It may be something that people feel uncomfortable talking about, but it is an important consideration to avoid unexpected bills for those you have tried to provide for. Depending on your circumstances, some simple planning can help to ensure that the tax payable by those who may inherit some or all of your estate is minimised as far as possible.

"For larger estates, advice on more complex planning to shelter assets from inheritance tax whilst protecting investments may also be necessary.

“For almost one in five respondents (18%), ensuring the continuity of their family business was their first priority. Independent expert advice for succession planning can ensure that the business or assets are passed down in a way which is tax efficient, meets the needs of the family and ensures continuity.”

Suggesting a benevolent tendency in the South West, the survey revealed that almost one in five people from the region ranked making a donation to charity in their will among their top two priorities, higher than any other region.

Kyle Nethercott from Financial Planning adds:
“It’s worth noting that charitable donations are exempt from inheritance tax. But it’s clear that taxes and fees weren’t a priority for our respondents in the South West. Hopefully we can raise awareness that inheritance tax affects more people than you might expect and that we can help with financial planning on a variety of scales and complexities.”



NICHOLAS SMAIL

Partner

01242 680000

nicholas.smil@hazlewoods.co.uk



KYLE NETHERCOTT

Partner

01242 680000

kyle.nethercott@hazlewoods.co.uk



TAX HEAD LINES

OFF-PAYROLL WORKING IN THE PRIVATE SECTOR

From April 2020, medium and large-sized private sector businesses (broadly, those above the audit threshold) will become responsible for assessing the employment status of any off-payroll workers with whom they engage that operate through an intermediary.

The off-payroll working rules are applied where people are effectively working like employees, but operating through an intermediary (such as their own personal service company).

HMRC seems to be focusing in on this area, taking on a number of high-profile cases against TV personalities in recent months. As these date back to periods prior to the shift in responsibility (April 2017 for the public sector), the PAYE and NIC liability has fallen to the individual operating via their own personal company, where HMRC has been successful. Going forward, this risk will lie with the engaging company and, given the potential tax exposure we are anticipating, businesses should take a more prudent approach when assessing status.

We would recommend that businesses affected start to identify any workers engaged through intermediaries and begin to review existing contracts to determine whether the off-payroll rules apply.

MTD FOR COMPLEX BUSINESSES

As most businesses have now been through at least one VAT filing under Making Tax Digital (MTD), it is now the turn of the more complex businesses with a delayed start date of 1 October 2019.

The earliest filing deadline for a complex business with quarterly returns will be 7 February 2020 (i.e. in respect of the period 1 October 2019 – 31 December 2019), however, businesses should have been keeping VAT records digitally from the start of this VAT period.

Certain businesses which use the Government Information and NHS Trust (GIANT) service, such as NHS trusts and government departments, have been deferred beyond this date, with a commencement date yet to be confirmed.

STRUCTURE AND BUILDINGS ALLOWANCE (SBA)

A new capital allowance for qualifying expenditure on commercial structures and buildings was announced at Budget 2018, applying to contracts entered into on or after 29 October 2018. Relief is given at an annual rate of 2% on a straight-line basis over 50 years from the date that the building is first brought into use.

If you are incurring expenditure on constructing, renovating or converting a non-residential building, it is likely that you will have some costs eligible for the SBA. Relief can be claimed via the business tax return along with an allowance statement which includes details of qualifying expenditure incurred and confirmation of dates the contract was entered into and when the building was first brought into use.

SDLT MIXED-USE

Purchases of residential properties with extensive accompanying land had previously been accepted as mixed-use properties and hence subject to lower non-residential rates of Stamp duty Land Tax (SDLT). HMRC has, however, now updated their guidance for what constitutes 'grounds and garden' and have had success in a recent case at the First Tier Tribunal.

The latest position is that, unless it can be demonstrated that a commercial return has been received for use of part of the grounds, mixed-use claims will be rejected and HMRC will look to apply, the higher, residential SDLT rates to the transaction.



NICK HAINES
Tax Partner

01242 237661

nick.haines@hazlewoods.co.uk

FAMILY OFFICE

Our Family Office provides a wide variety of services with the core aim of protecting and enhancing wealth across generations.

Although we have been providing these services for many years, we have consolidated this offering by bringing together all key advisers to ensure that we are all working as one to meet your family's objectives, needs and aspirations.

OUR SERVICE

We offer a bespoke service with advice and services tailored to the specific circumstances and requirements of your family. Just some of the services we can offer include:

- Planning for succession – be this for the family business and/or passing wealth down the generations
- Philanthropy and charitable giving – from making charitable donations to creating a family charitable trust
- Independent financial advice – offering unrestricted access to all product providers to find the solution that best suits your needs
- Wealth management – creating a bespoke portfolio designed for your family's circumstances and attitude to risk
- Tax planning – we can help with all aspects of tax planning from filing tax returns to inheritance tax and capital gains tax planning, tax structuring advice and any international tax aspects.

THE RED BOOK

Hazlewoods Red Book is a comprehensive report and review of all aspects of your family wealth. As part of our Family Office service we can produce this for you annually or on request, for example, following a key family event.

The Red Book brings key information together in one place and is fully flexible to suit your bespoke needs.

The report includes details of family members along with assets owned, potential inheritance tax and capital gains tax liabilities, lifetime gifts, letter of wishes, a record of trusts and deeds and much more.



NICHOLAS SMAIL

Partner

01242 680000

nicholas.smail@hazlewoods.co.uk

MEET our people

CHRIS MIDWINTER

Working as a receptionist for Hazlewoods means you are the welcoming face for everyone who walks in through the doors on a day-to-day basis. Greeting people, making them feel welcome and organising the increasing number of meetings and staff member diaries to ensure everything runs smoothly is no easy task. Luckily, Hazlewoods has a team of receptionists who expertly manage all of this.

“Hello, I am Chris and work on reception at the Cheltenham office. I have worked at Hazlewoods part-time for 19 years (celebrating my 20 years next April). Previously, I worked for 10 years at the head office of Kraft Foods - which has now been turned into a complex of retirement apartments - before leaving

to start my family. In between, I worked the twilight shift at Endsleigh Insurance.

My day-to-day duties at Hazlewoods are mainly to answer the telephone and direct our clients to the correct member of staff, along with meeting and greeting clients. One of the best parts of the job is seeing clients face to face when they have meetings as you can then put a face to a name, especially those that we speak to on a regular basis. On reception we also see to the incoming and outgoing post, along with a lot of other duties.

All of the members of staff at Hazlewoods are very friendly and great to work with; numbers have grown so much over the years. When I started working here there were only approximately 50 members of staff in this office and now we have over 160, and still growing, so there are now a lot more faces to put names to!

Things have changed a lot since I started, for the better, and I look forward to working here for a few more years to come.”



CHRIS MIDWINTER

Receptionist

01242 237661

chris.midwinter@hazlewoods.co.uk





JULES RODGERS

Who analyses the data that technology can produce?

I passionately believe in the value of good business intelligence. It's the gift that keeps on giving as it powers a company through to increasing success, saving costs and guiding effective decision making. I love creating it and the enormous impact it can have when a small nugget of information can save a company a fortune or show a clear path to a brighter future. I love being a management accountant!

BUT WHAT ON EARTH IS A MANAGEMENT ACCOUNTANT DOING WORKING IN PRACTICE?!

For those of you who aren't familiar with the various flavours of UK qualified accountants, management accountants are usually firmly based in industry, in a single company. We don't do crowds.

If ACA and ACCA accountants are qualified to get your company through it's 'MOT', then management, 'CIMA', accountants are your general 'mechanics', i.e. responsible for maintaining it and fine tuning it's performance. A good management accountant can help transform a roller skate into a Formula 1 performance car!

The trouble is, many smaller companies can't justify their own full-time mechanic, so a management accountant should be a valuable addition to any practice.

HOW DO YOU MAKE IT WORK THOUGH?

In industry, I'd have a single company's data which I know inside out and can peel apart the layers to reveal what needs to change to improve performance, guiding efficiency and profit margins continually.

What happens when I don't have direct access to that data and when it's impossible to know it like the back of my hand as I'd wish? These days all business owners across the generations are becoming more data aware and technology is bouncing along nicely to accommodate this. Since Jon Cartwright invited me to join Hazlewoods, just over a year ago, I have worked with a broad range of clients from vets to software developers, using the combined savvy of the information-hungry company owners, Hazlewoods sector expertise, remote data access, and my rapidly expanding knowledge of what you can do with Microsoft's incredible reporting suite. Performance dashboards that dreams are made of can now be at everyone's fingertips.

The work is challenging, incredibly varied and absolutely never dull! And what do I do during my Hazlewoods downtime? Well, there's always a few Hazlewoods nuts and bolts that need tightening too.



JULES RODGERS
Associate Director

01242 237661
jules.rodgers@hazlewoods.co.uk

CHARITY



FUNDRAISING AND VOLUNTEERING NEWS

Hazlewoods completes 100 years with over £100,000 raised for Maggie's

To make 2019 a unique year for Hazlewoods, we set a target for fundraising of £100,000, and we are delighted to announce that this was achieved, having reached £105,586 at the time of writing.

Hazlewoods founder, Marcus Hazlewood, began a tradition of fostering strong links with the community that continues within the firm to this day; every year, Hazlewoods opens a vote to its employees to select its charity of the year and, in 2019, Maggie's Centre in Cheltenham received 49% of the votes.

As the firm has grown, the amounts raised have increased year on year and many charities have benefited from the fundraising efforts of Hazlewoods employees, which totals a cumulative £77,765 from 2012-2018.

The year got off to a fantastic start with the annual quiz attracting a record number of teams to Pittville Pump Room. One of the biggest events of the year came in the summer with the Hazlewoods Run 1000, where staff and their family and friends all came together to run 10 kilometres at Gloucester Athletics Club. Team and individual activities have also included visiting 100 clients in a day, the Welsh Three Peaks challenge, running the Edinburgh Marathon, completing the Tour de France alpine climbs, abseiling down Eagle Tower, and even a Christmas wrapping event.

Maggie's centres are there to support all who may be affected by cancer, offering places to find practical advice as well as ways of improving and strengthening people's physical and emotional wellbeing or simply offering a place to sit quietly with a piece of cake and a cup of tea.

The money raised by Hazlewoods in 2019 will be used to fund an additional cancer support specialist for the centre; these are experienced professionals who offer individual and group support to people who visit the centres. Maggie's centre in Cheltenham also has plans to extend and some of the money will go towards furnishing the new space to be as comfortable and welcoming as the current centre.

Managing Partner, Jon Cartwright, said: "We have been amazed by the support we have received from clients, staff and the business community as a whole this year. The generosity people have shown with their money as well as messages of luck and donations of products to support fundraising activities has been incredible and very much appreciated.

"We are delighted to have been able to support Maggie's in this way and look forward to working with many more charities in the years to come."



ANDY HARRIS

Partner

01242 237661

andrew.harris@hazlewoods.co.uk



JON CARTWRIGHT

Partner

01242 237661

jon.cartwright@hazlewoods.co.uk

“ A lighthouse in a storm.
It's the place where you
can talk openly about
your cancer without
fear of the word. ”

Maggie's Centre User



CELEBRATING THE FIRST 100 YEARS

Hazlewoods has provided specialist accountancy, tax, audit and business advice to individuals and businesses of all shapes and sizes ever since the practice was founded by Marcus Hazlewood in 1919.

In our centenary year we held an event to celebrate this, alongside the First 100 Years project, celebrating 100 years of women in law. Guest speaker Dana Denis-Smith, creator of the First 100 years project, joined us to discuss the future and changes in the industry, focusing on diversity, the power of role models, changes in attitude, staff retention and flexible working.



CONTRIBUTIONS

THIS MONTH'S AUTHORS



JON CARTWRIGHT
Partner

jon.cartwright@hazlewoods.co.uk



NICK HAINES
Tax Partner

nick.haines@hazlewoods.co.uk



KYLE NETHERCOTT
Partner

kyle.nethercott@hazlewoods.co.uk



CHRIS MIDWINTER
Receptionist

chris.midwinter@hazlewoods.co.uk



JULES RODGERS
Associate Director

jules.rodgers@hazlewoods.co.uk



FELICITY SANG
Associate Director

felicity.sang@hazlewoods.co.uk



NICHOLAS SMAIL
Partner

nicholas.smail@hazlewoods.co.uk



JENNY STAIGHT
Associate Director

jenny.staight@hazlewoods.co.uk



ADELE WEBB
Payroll Solutions Technical Support

adele.webb@hazlewoods.co.uk



For information about our upcoming events please visit:
bit.ly/hazlewoods_events

Winter 2019/2020

Cheltenham office:
Windsor House,
Bayshill Road,
Cheltenham, GL50 3AT
Tel: 01242 237661

Staverton office:
Staverton Court,
Staverton,
Cheltenham, GL51 0UX
Tel: 01242 680000

HAZLEWOODS

DRIVING LIFELONG PROSPERITY

www.hazlewoods.co.uk @Hazlewoods

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WE ARE AN INDEPENDENT MEMBER OF
**THE GLOBAL ADVISORY
AND ACCOUNTING NETWORK**