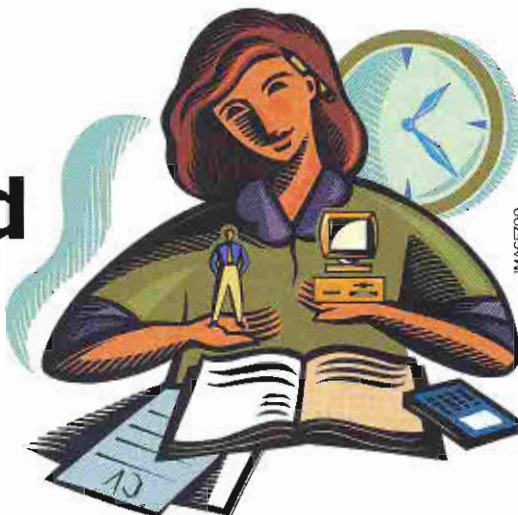


Help for unemployed workers

THE GOVERNMENT HAS announced it is dramatically increasing the scope of the New Enterprise Allowance (NEA) scheme. The original plans for the NEA, announced last October, had envisaged helping to create up to 20,000 new small businesses by 2013. Now the Government has doubled the target to 40,000.

To help achieve that goal, the NEA will give unemployed people who have been claiming Jobseeker's Allowance (JSA) for more than six months, or those working minimal hours, financial support and business mentoring for their early months of self-employment, if that is the route they choose to take. JSA is the main benefit for people of working age who are out of work or work less than 16 hours a week on average.

The people the NEA targets will be given access to business mentoring and offered financial support of up to around £2,000, including a weekly allowance for up to 26 weeks and access to a start-up loan worth up to £1,000. To claim the allowance, individuals will be required to develop a business plan and secure the agreement of their proposed mentor that the plan is viable.



IMAGEZOO

The new NEA plan was scheduled to be launched early in the year in Merseyside, with a view to rolling it out nationally by the autumn.

Prime Minister David Cameron says, "It is vital that we ensure businesses, and those people who find themselves out of work but have the drive and desire to set up their own business, have all the advice, support and mentoring they need."

Employment Minister Chris Grayling adds that by expanding the NEA the government could ensure that those who find themselves out of work, but with a good idea, can get the right advice to turn it into a successful venture.

For more information, visit www.number10.gov.uk and type "NEA" in the search box. Then select "Government focused on growth and job creation" from the resulting list.—*Andrew Don*

You've got to pay to play

MANY SMALL businesses do not realise they are required by law to have a licence if they play copyrighted music at work, and they are often resentful when pursued by the licensing bodies. However, musicians earn their livelihood from holding the copyright of music they compose, record and play.

If you use recorded music to entertain customers or employees, as is common in pubs, restaurants, and hair-dressing and beauty salons, you must buy licences before playing it publicly under the Copyright, Designs and Patents Act 1988. These licences cover any medium on which music is "broadcast"—whether CD, radio, television, tape recorder or digital music player.

The bodies authorised to collect licensing fees are PRS for Music and PPL. PRS for Music is responsible for the copyright belonging to lyricists, composers, songwriters and publishers. PPL handles copyright licences on behalf of performers and record companies. Most businesses are required to carry both licences, regardless of whether the music is to entertain customers or just for the staff to enjoy.

PRS fees start from £44 a year for four or fewer employees. PPL fees start from £51 a year. The cost varies according to the type and size of premises and the nature and extent to which music is used.

Failure to buy required licences is a criminal offence. Conviction can lead to an unlimited fine and a prison sentence of up to 10 years, although prosecution is seen by both bodies as a final resort.

For further information, go to www.prsformusic.com and www.ppluk.com.—*AD*

Cheque Guarantee Card Scheme: End of an era

THE PAYMENTS COUNCIL, which sets strategy for payments in the UK, has alerted businesses that the Cheque Guarantee Card Scheme will be withdrawn at the end of June 2011.

The scheme guarantees cheques up to the value of £250 with presentation of a cheque guarantee card. Some 88 per cent of cards guarantee only transactions up to £100.

Its demise means business owners will either have to take a calculated risk or introduce a blanket policy of refusing this method of payment.

The decision to axe the system was made because the use of guaranteed cheques is in rapid decline. The Payments Council, after consulting with businesses and customers, felt that it would be better if the withdrawal of guaranteed cheques were actively managed to prevent confusion and provide clarity.

Jaqui Tribe, guarantee scheme manager, says several options are open to businesses once the guarantee scheme is scrapped.

- Businesses can carry on accepting cheques in the knowledge that they can still be

certain the funds are theirs at the end of the sixth working day after paying it in. The money will be reclaimed only if they are a knowing party to fraud.

- Firms can accept debit cards, credit cards and cash.

- They can accept electronic payments for goods or services bought online.

Tribe says it is a matter of personal judgement whether businesses continue to accept cheques, but business owners will do well to notify customers well in advance if they should decide not to. This will avoid any possible antagonism. "Plenty of other high street businesses, supermarkets and petrol stations stopped accepting cheques a few years ago without any reported problems," says Tribe.

The end of the scheme is just the first step in a provisional plan to phase out all cheque usage in the UK by 2018.

For more information about the end of the Cheque Guarantee Card Scheme, visit www.paymentscouncil.org.uk.—*AD*

