











# L@b Brief | August 2024

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Hello again,



**THE OFFICE for Students, which regulates higher education providers in England, has confirmed fears that UK higher education is in a financial crisis.**

**Around 40% of UK higher education establishments expect to be in deficit in 2023-24 and over 60 have already announced severance or redundancy programmes. The universities themselves predict a gradual recovery in surplus and operating cash flow levels from 2024-25, but this scenario is based on assumptions of increases in tuition fee income from both home and international students which are ‘far too optimistic’ says the Office for Students.**

**The sector believes it will achieve an increase in EU entrants of 18 per cent and non-EU entrants of 36.2 per cent between 2022-23 and 2026-27. The rest of the increase is dependent on rises in UK tuition fee income, where an increase in entrants of 23.9 per cent is forecast during the same period. These increases are not supported by the latest trends in student applications from UCAS which show a steady decline in the number 18 year olds entering higher education.**

**Because of substantial inflation in the last few years, universities now make a £2,500 (real terms) loss on every home student according to the Russell Group.**

**Attracting students in a competitive environment required universities to borrow heavily to invest in new facilities.**

**Home Office data shows a trend of declining applications from prospective students for study sponsored visas. Recent information from the sector also suggests that mid-year recruitment in 2023-24 has been significantly lower than both historic and forecast levels, with suggestions of an average decline in entrants of over 40 per cent compared with the previous year.**

**Many higher education providers have taken, or are taking, action to manage tightening finances, including making cost savings, rationalising courses, modules and other activities, and making other efficiencies.**

**Although, research-intensive Russell Group universities are significantly better off than newer universities that focus on teaching, a change in funding strategies for universities is urgently needed if scientific research in the UK is to be maintained at current levels. All those interested need to come together to put pressure on the Government to tackle this crucial issue or all the attention will be on other issues currently more prominently being featured by the media.**

Toodle pip

*Jacqueline*

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## UK News

# How science is changing and how this will affect lab equipment

THE MOST exciting developments in scientific research will be featured at the upcoming GAMBICA conference which brings together experts on nature-inspired engineering, engineering biology and developments in formulation and then makes the leap from what scientists want to do, to the equipment they will need to allow them to do it.

Professor Marc-Olivier Coppens from UCL, who has been one of the star speakers at Innovate UK's *Glimpse of the Future* events, will open the session by explaining the reach and impact of nature inspired engineering and how it is changing the way scientists are being taught to think about innovation. He will be followed by an overview from the Centre for Process Innovation on bioengineering and what research the government and other funders are prioritising. We will also have an instrument applications expert from UCL explaining new initiatives to give leading research scientists access to cutting-edge equipment.

The conference will once again offer the key insights you need to plan for the next financial year, with political and trade predictions from Anand Menon, economic insights from Lee Hopley and the latest research from SLS on what customers expect their purchasing trends to be in coming years.

Look out for more announcements about speakers in future issues because we expect to have some major clients present to help you improve your expertise in talking the customer's language.

In response to feedback, the event will once again be returning to the lovely Stapleford Park Country House Hotel, near Melton Mowbray and will take place on 11 March 2025 with the conference dinner on the evening of the 10<sup>th</sup>.

To book your place, click [here](#).

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## Nine arrested in R&D tax credit clamp down

NINE PEOPLE have been arrested, suspected of conspiring to submit £16 million of fraudulent claims for R&D tax credits. Data from the latest annual report from HMRC reveals that fraud and error in the scheme cost taxpayers £1.13 billion in 2020/21 alone.

HMRC says it has 'significantly updated its methodology for estimating the level of non-compliance in research and development (R&D) tax reliefs' and has subsequently raised fraud and error estimates from 3.6% to 16.7%. The level of error and fraud in 2020/2021 was estimated at 24.4% (£1.04 billion) for the SME scheme and 3.6% (£90 million) for the RDEC (Research and Development Expenditure Credit) scheme. Expenditure on R&D reliefs during the year was £6.8 billion.

In April 2022, HMRC identified irregular claims considered to be a criminal attack on the R&D payable tax credit regime and has since refused £85 million of suspected

fraudulent claims and issued over 2,500 letters challenging suspect claims. To be classified as fraud, a caseworker needs to have found evidence that the claimant deliberately set out to misrepresent their circumstances.

In 2021, the government announced a package of measures to help address concerns that the level of non-compliance in the R&D schemes was too high. This included measures to increase the quality of information received upfront from claimants, and the creation of a cross-cutting Anti Abuse Unit. Further changes to relief rates were announced in 2022, with the aim of reducing the SME scheme's exposure to abuse.

An R&D Compliance Action Plan, will be published by HMRC this summer.

Labour hopes to raise £5bn by the end of this parliament by recovering more tax revenues. Tax officials said that the error and fraud in R&D tax relief revealed in the report was "clearly unacceptable" and the public would expect action.

According to *The Guardian*, fraud and error has cost more than £4bn since 2020 on the scheme described as 'free money' by some agents. The report suggests that firms complain of being inundated with calls by agents, urging them to sign up for the tax credits. Operators of care homes, pubs, fitness centres and dental clinics were told to apply for the tax credits, based upon their best ideas



for improving business. One tax consultancy claimed on its website it had saved a hotel and pub in Chester £28,000 with a claim for "innovative menus, catering for vegan and gluten-free diets". The firm and the pub considered the claim was permissible, because of "all the hard work that goes into crafting our menus".

The HMRC annual accounts published last week reveal that the projected and final estimates of the value of error and fraud in the scheme was £1.127bn in 2020-21; £1.337bn in 2021-22; £1.051bn in 2022-23; and £601m in 2023-24.

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## **GAMBICA members invited to Green Lab summit: Raising the bar**

THE ANNUAL online Green Lab Global Summit is taking place from 18-19 September. It will feature sessions on the circular economy, efficiency and automation, and waste management. The summit will conclude with a panel discussion on pioneering the adoption and growth of green lab initiatives focusing on sustainable procurement. GAMBICA members may be interested in joining round table sessions with participants from organisations including Abbvie, Syngenta, Amgen, Sanofi and Imperial College.

The event costs only £25 to attend register, to sign up lick [here](#).

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## LAB construction updates

### Lab take-up continues its upward trend

PROPERTY CONSULTANCY Knight Frank's latest figures show that demand for lab space in Oxford rose 63% quarter-on-quarter in Q2 2024 to 387,000 sq ft, with demand in Cambridge remaining steady at 667,000 sq ft. London saw Q2 demand fall as some occupiers put their search for space on hold in light of persistent economic and political instability.

However, Knight Frank expects demand for lab and office space to increase in the second half of the year after the UK's pharma and biotech sectors experienced a 77% year-on-year jump in venture capital funding in the first half of 2024.

The UK now accounts for circa 5% of global market share for pharma and biotech VC funding – only the US and China attract a greater share of venture capital globally.

Jennifer Townsend, partner at Knight Frank, said: "The UK has cemented its position as a prime incubator for life sciences start-ups. As the domestic macroeconomic and political landscape stabilises, the sector is poised for further growth, drawing increased venture capital. While recent months have seen subdued take-up, with some activity paused and a lack of large transactions, demand remains steady, especially for smaller units suited to nurturing pharma and biotech startups.

### University of Leeds invites tenders for revamp of airborne lab

THE PURCHASING Office of the University of Leeds has released an invitation to tender for the mid-life upgrade of the FAAM Airborne Laboratory. The facility is part of the National Centre for Atmospheric Science at the University of Leeds and funded by UKRI-Natural Environment Research Candidate (NERC).

The procurement documents and additional information are available for unrestricted and full direct access, free of charge, [here](#). Tenders or requests to participate must be submitted electronically via this [link](#).

### Blackpool 'Multiversity' campus

BLACKPOOL COUNCIL is to construct a new £65 million education campus in the town centre. The 'Multiversity' mixed-use educational development is designed to accommodate up to 3,000 students and staff.

Outline approval for the scheme was granted in April 2024. The 'Multiversity' is phase four of Blackpool Council's £350 million regeneration of the Talbot Gateway area around Blackpool North train station, which is said to bring in a total of over 8,000 professional workers and students into the area.

### Plans submitted for new lab in Oxford



Photo: The Oxford Trust

THE OXFORD Trust has submitted plans to build a new 12,926 sq ft grow-on laboratory space to be known as the Aspen Building at the Wood Centre for Innovation in Headington, Oxford.

Steve Burgess, chief executive officer, The Oxford Trust, said: "The Aspen Building will mean we can continue expanding our support of science and tech start-ups by providing high-quality R&D lab and office space for grow-on companies to further scientific research and discovery, create local jobs, and contribute to Oxfordshire's impressive wider innovation ecosystem."

## Further expansion of Oxford life sciences hub

CONSTRUCTION COMPANY, Mace, has won a £184 million contract to deliver the next phase of expansion of The Oxford Science Park.

The expansion, called The Daubeny Project, involves the construction of three new laboratory and office buildings at the Park, which is majority-owned by Magdalen College, Oxford.



Image: Scott Brownrigg

The expansion will add 400,500 sq ft of laboratory and office space to the park.

The new buildings will feature 'biodiverse landscaping', photovoltaic energy generation and optimised building orientation for natural light and energy efficiency.

Robert Lemming, managing director, Public Sector and Life Sciences, Mace Construct said, "As our population grows and ages, more sites like these will be needed to meet the pressing demand for high-quality laboratory space, and at The Oxford Science Park we are setting new standards for efficiency and sustainability."

The project is scheduled for completion at the end of 2026.

## New £100 million microbial fermentation facility

JAPANESE CONTRACT development and manufacturing organization FUJIFILM Diosynth Biotechnologies has hosted a celebration for the opening of its microbial fermentation manufacturing facility in Billingham, UK.

The new facility triples existing microbial production throughput with the addition of a new production line equipped with 2 X 4000 L fermenters, primary separations suite and a modular purification suite with an investment over £100 million.

This expansion was customised, in part, to support a large, unnamed, pharmaceutical partner with a highly specialised ophthalmic therapeutic for wet age-related macular degeneration (AMD). Wet AMD is an eye disorder that causes blurred vision in the central vision. AMD is the biggest cause of sight loss in the UK, affecting more than 700,000 people, with 39,800 patients developing wet AMD annually.

## £88m University of East Anglia revamp

UNIVERSITY OF East Anglia's celebrated brutalist grade II-listed Lasdun building at its Norwich campus is to be given an £88m upgrade. Built in the 1960s, the teaching and science building, later called the 'Lasdun Wall', will be given a strip-back-to-frame refurbishment which will deliver new science facilities and teaching space.

The existing science facilities are currently at risk due to potential condition failures of the buildings. The project will provide an 86% improvement in thermal performance of the



fabric, aligning it with the UEA Net Zero Carbon targets. Mace should start work in the autumn

## £16 million unlocked for UK Biobank

A £16 million boost to upgrade how UK Biobank uses and stores its growing wealth of health data has been announced, made up of a grant of cloud computing credits from Amazon Web Services (AWS) worth around £8 million matched by a further £8 million in government investment. UK Biobank based at Manchester's Bruntwood Science Park is the world's most advanced source of data for health research.



## EU approves two billion euros for medical isotope reactor

THE EUROPEAN Commission has approved a plan by the Netherlands to spend €2bn on a new medical isotope production facility in Petten, about 220km north of Amsterdam.

The plan is to build a 'Pallas' reactor to replace the existing high flux unit, which has been one of the world's main sources of medical isotopes since 1961.

It will be sited in the Nuclear Research Group's (NRG's) Energy and Health Campus in Petten, home to some 1,600 employees of NRG, as well as drug companies and universities.

Bertholt Leeftink, the chief executive of the Nuclear Research Group, which runs the reactor, said: "With the arrival of the new Pallas reactor, the production of medical isotopes and the innovation of new applications for the treatment of, among other diseases, cancer will be guaranteed."

The replacement reactor is expected to start operating in the early 2030s.

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## RESEARCH updates

### Diet data suggests new tests for colon cancer in younger adults



A RECENT Cleveland Clinic study has identified diet-derived metabolites, particularly those linked to red and processed meat, as significant contributors to the risk of young-onset colorectal cancer. This discovery highlights the potential for a new testing approach targeting younger adults (< 60 years) to better assess and manage their cancer risk.

Current screening methods, such as annual colonoscopies, are impractical for younger populations. Instead, the study suggests that simple biomarker tests could be used to measure specific metabolites in the blood, offering a more feasible and effective way to identify individuals at higher risk for colorectal cancer.

Dr. Suneel Kamath, a senior author of the study, emphasises that this new approach could revolutionise how physicians screen younger patients. By focusing on diet-derived metabolites, doctors could identify at-risk individuals earlier and tailor preventive measures accordingly.

The research team, led by Dr. Thejus Jayakrishnan and Dr. Naseer Sangwan, analysed data from young-onset and average-onset colorectal cancer patients. They found that younger patients had higher levels of metabolites related to the amino acid arginine and the urea

cycle, which are likely tied to the consumption of red and processed meats. These findings suggest that testing for these specific metabolites could become a key tool in cancer prevention.

For more information click [here](#).

## Baby foods in Australia fail to meet WHO standards

A SIGNIFICANT number of baby and toddler food products in Australia feature unregulated and misleading claims, say researchers from the George Institute for Global Health after analysis of 309 infant food products sold in Australian supermarkets, comparing their nutritional and promotional data against World Health Organisation (WHO) standards. The findings, published in *Maternal & Child Nutrition*, indicate that only 22% of these products met all WHO nutritional criteria, and none adhered to the WHO's standards on prohibited claims. This presents a significant challenge for laboratories testing food products in Australia. The study underscores the need for stricter regulations and more rigorous testing protocols to ensure that baby and toddler foods meet international health standards.

Currently, many products, particularly those in pouches, contain high levels of sugar and make claims such as "organic" or "no added sugar" that do not align with WHO guidelines.

The George Institute researchers warn that the lack of compliance with WHO standards, especially concerning sugar content and promotional claims, may contribute to unhealthy eating habits from an early age, potentially fuelling Australia's growing obesity problem.

For more information click [here](#).

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## Upcoming GAMBICA Events

### Maintenance requirements for ISO certified labs | online | 10 September, 10.30 am

THIS WEBINAR has been specially designed for the members of the after-sales group, who look to improve the contribution of service and other after-sales activities for their companies. If you would like to join the group, please do come along.

In this webinar, certification body AUVA will explain the maintenance requirements for laboratories with an ISO quality management certification. They will also provide detailed guidance on the requirements and suggest how laboratory equipment suppliers' service contracts can be designed to specifically match the ISO requirements.

The webinar will be presented by Graham O'Geran. To book your place, click [here](#).

### Seven steps to achieving any ISO standard | online | 17 September, 10.30 am

FOR THOSE thinking about or struggling with ISO certification, we have organised a webinar to help you. Stephanie Churchman, from certification consultancy, Blackmores will provide simple, step-by-step guidance to achieving any ISO standard. Using ISO14001 as an example, she will show how to build a portfolio of certification documentation to help you achieve certification to any of the core standards and will provide the inside track on what to expect during an assessment.

Blackmores is a consultancy specialising in assisting with ISO certification. They have worked with GAMBICA members on 14001 and 9001. To reserve your place, click [here](#).



## How businesses can benefit from the IET Fund | online | 17 October, 10.30 am



FUNDING FOR investment is increasingly in demand, with investment needed to tackle some of society's biggest challenges, from energy security to net zero. The Industrial Energy Transformation Fund, like other funds, offers businesses the opportunity to secure support for projects which help to achieve these objectives. But success securing grants is not always straightforward.

In this webinar, Karim Budabuss, from ForrestBrown's grant advisory team, will take GAMBICA members through the key considerations when assessing whether the IETF is the right fund for your business, how to assess whether you meet the eligibility criteria, and how to prepare a successful submission.

They will also walk you through what happens when you receive a grant offer, including negotiating terms and managing compliance.

The webinar will cover:

- Lessons from previous phases of the IETF.
- Eligibility criteria including practical examples of projects which could be eligible.
- Keys to a successful IETF application.

To reserve your place, click [here](#).

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## Industry Events

### Ilmac | Lausanne | 18-19 September 2024

EVERY TWO years, the Ilmac industry event in French-speaking Switzerland offers:

- Proximity to pharmaceutical and biotechnology companies
- High-quality community and quality contacts
- Renowned exhibitors from over 20 different industries
- Catering & networking aperitif included

Get your ticket to enter the fair for free [here](#) (please use promotion code: welcome-ilmac24). If you would like to take part in the Ilmac trade fair as an exhibitor, you will find the participation options [here](#).

### 20<sup>th</sup> Ramen imaging symposium | Ulm, Germany | 23 September 2024

OXFORD INSTRUMENTS' WITec is running a symposium on Ramen Imaging with expert speakers from universities across Europe. Tickets to attend cost Euros 475 for industrial participants. For more information click [here](#).

### BioTechx | Basel | 9-10 October 2024

GENERATIVE AI has the potential to revolutionise various aspects of the life science industry and [BioTechX Europe](#) claims to be at the forefront of thinking around Generative AI and biotechnology. The agenda covers Digital Transformation, LLM and Data Management, Storage & Architecture. Contact Alistair Wilmot about remaining opportunities email: [Alistair.Wilmot@terrapinn.com](mailto:Alistair.Wilmot@terrapinn.com)

### **Festival of Biologics | Basel | 15-17 October 2024**

A CONFERENCE designed for experts working in antibody therapies, immunotherapies and biosimilars, featuring 150 speakers from Cancer Research UK, Novartis, Roche, Numab, Pierre Fabre and others. It covers discovery, development, manufacturing, market access, and fill and finish. The agenda will be released next month. Tickets cost 150 Euros and there will also be a small exhibition. For more information click [here](#).

- [Lab of the Future Europe, Amsterdam, Netherlands, October 1st-2nd, 2024](#)
- [ELRIG Drug Discovery 2024, London, UK, October 2nd-3rd, 2024](#)

### **Global innovation and new technology health event | London | 9-10 December 2024**

THIS EVENT is described as the NHS innovation festival and comprises the UK National ICS congress, the mental health technology show, the future hospital show, the women's health technology show and the net zero technology show. For more information click [here](#).

### **CIM2025 International Metrology Congress | Lyon | 11-14 March 2025**

CO-LOCATED WITH France's largest industrial trade show this event aims to be a hub where science, industry and metrology players come together. For more information, click [here](#).

### **Solutions in Science | Cardiff | 8-10 July 2025**

FEEDBACK FROM visitors to the last SinS conference in June 23 was positive and the next event has now been scheduled. The aim of SinS is to showcase complementary and diverse ranges of analytical instruments, technologies, applications and present solutions to scientists from a range of industries and academic disciplines.

To book your exhibition stand contact Chris Jarvis [chris@labmate.com](mailto:chris@labmate.com) 01727 855574.

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## **Export News**

### **FDA lab developed test rule called into question**

THE US Association for Diagnostics & Laboratory Medicine (ADLM) has warned that the FDA's new rule regulating laboratory-developed tests (LDTs) could harm patient care by limiting access to essential diagnostic tests. Many doctors and labs lack the resources to comply, which could lead to fewer tests being performed, delays in diagnosis, and even practice closures it claims.

The FDA's rule, effective from April 29, classifies LDTs as medical devices under the Federal Food, Drug, and Cosmetic Act, requiring stricter regulation. The agency argues that some LDTs may be inaccurate or of low quality, posing risks to patients. However, the American Medical Association (AMA) and other healthcare groups argue that these tests are already regulated by the Centers for Medicare and Medicaid Services (CMS) and that additional oversight is unnecessary.

Octavia Peck Palmer, president of the ADLM, expressed concern that the rule would severely limit patient access to necessary testing. AMA senior policy analyst Geoff Hollett, has also warned that the FDA's increased oversight could delay diagnoses and worsen patient care, particularly as LDTs are crucial for diagnosing and treating rapidly evolving medical conditions.

The future of the regulation is uncertain as the American Clinical Laboratory Association has filed a lawsuit challenging the FDA's authority to regulate LDTs. Legal experts suggest that recent Supreme Court decisions may favor challenges to such federal regulations.

Despite this, labs and healthcare providers must prepare for the rule's potential impact, as it is set to be phased in over the next four years.

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## Exporting opportunities to Peru, Argentina and Uruguay



GAMBICA'S CONTACT in the Foreign and Commonwealth Development Office in Peru has been in touch to say that they are launching a healthcare committee of the British-Peruvian Chamber of Commerce, aiming to connect UK companies that are new to the Peruvian market with potential distributors and buyers. This committee can act as a platform for GAMBICA members who provide them with information about their offers. We will be sending them the brochures from all our recent overseas pavilions which contain some information but if

you would like to add to this or if you have not participated in GAMBICA pavilions but would still like to be included, please just drop me a line, [jacqueline.balian@gambica.org.uk](mailto:jacqueline.balian@gambica.org.uk)

The Peru office has also drawn our attention to **Tecnosalud**, This is the largest healthcare & life sciences event in Peru where the FCDO will have two stands. We will provide them with the GAMBICA events brochures to have on these stands but they would also like to offer 'match-making' activities, so do get in touch in the same way if you would like to be included.

### **Trade mission to Argentina and Uruguay 15-18 October 2024**

GAMBICA members are also invited to take part in a MedTech Trade Mission to Argentina & Uruguay to learn first-hand about market opportunities, characteristics, and regulations; meet key local stakeholders and potential partners in both countries and visit Uruguay's flagship trade fair. Further information below.

To gain a place please click [here](#) before 3 September.

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## New UK sanctions list search function

THE FOREIGN, Commonwealth and Development Office has announced the implementation of a new search function to the UK Sanctions List enabling users to more effectively search for designated persons without downloading the list in its entirety. To access the new search function [click here](#)

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# Bugs in new Customs Declaration Service



HM REVENUE and Customs (HMRC) has admitted to some 'temporary issues' with licence data flows between the Custom Declaration Service (CDS) and the Dept for Business and Trade's electronic licensing systems (SPIRE/LITE). These issues occur when a CDS exports declaration contains errors which affect the licence and will prevent the declaration progressing to a cleared status.

## HMRC has highlighted the need to:

- Check you are quoting the correct licence reference in Data Element (DE) 2/3 and have entered the exact characters, removing any whitespace characters such as spaces.
- Avoid document status codes 'EE' (Electronic Exhausted) or 'ES' (Electronic Surrendered) on CDS (DE 2/3) unless you wish to exhaust or surrender the licence. Instead, you are advised to use document status code 'EP' (Electronic Partial).

In addition, declarants must ensure that the details within DE 2/3 have been completed correctly before the declaration is submitted, ensuring that:

- the quantity for the licence must not be zero, unless you want to delete an existing reservation; if no reservation exists an issue will occur and the declaration cannot be amended or deleted, and you will need to submit a new declaration
- the measurement unit for the quantity matches the measurement unit associated to the licence
- if a document status code applies, the same document status code must be used for all goods items in the declaration

Additionally, if you need to declare a commodity that requires 2 document status codes for the same licence, please use the following instructions for DE 2/3.

## First document status code

For the first document status code, enter information as per CDS export tariff with the relevant and valid code in the status code field. To determine the correct code, please refer to the following guidance: [Group 2: References of Messages, Document, Certificates and Authorisations](#).

## Second document status code

For the second document status code, refer to the following steps.

1. Enter text 'License declared against [enter first status code]' in the Document Identifier field.
2. Enter code 'XW' in the Document Status field.
3. Enter text 'License declared against [enter first status code]' in the Reason field.
4. Leave the Issuing Authority field blank.
5. Leave the Date of Validity field blank.

6. Leave the Measurement Unit and Qualifier fields blank.
7. Enter '0' in the Quantity field.

### **What to do if your declaration is 'stuck' in a registered state (no DMSACC received)**

If there is a discrepancy with DE 2/3, your declaration will not be rejected and will remain stuck in a 'received' state. In addition, if your goods have arrived at the frontier, the Community System Provider (CSP) or carrier will not receive any response notifications and your goods will not gain P2P.

At this point, you may be notified by the carrier that there is an issue and that you need to take action. You must not attempt to amend the declaration as this will not rectify the issue and could cause your licence usage to be stored incorrectly.

Instead, you must invalidate your declaration and submit a new declaration using a new Declaration Unique Consignment Reference (DUCR) and Local Reference Number (LRN).

If your goods have been consolidated into a Master Unique Consignment Reference (MUCR), when you invalidate your declaration your (DUCR) will be automatically disassociated from the MUCR. You must alert your carrier and arrange for your goods to be removed from the consolidation. Please correspond with your carrier and freight forwarder or intermediary for guidance if necessary.

If you have attempted to amend a declaration that has a licence error, the declaration will remain in a 'received' state and not progress to 'registered' or 'accepted'. You will need to submit a new declaration and contact HMRC for a correction to be applied to the licence reservation.

If there is a discrepancy with DE 2/3 when declaring a commodity that requires 2 document status codes for the same licence, your declaration will be rejected and you will need to follow to the corrective guidance described below for error code 'CDS70719 Licence Error: Electronic licence quoted although Document Status Code indicated paper licence'.

Please note that the scenarios listed under each of the following error codes are not exhaustive lists. If you have encountered another scenario not listed, you are asked to contact HMRC.

### **What to do if you have received error code 'CDS70740 Licence Error: Importer/Exporter is not the owner of the licence'**

This error may occur if the Economic Operators Registration and Identification (EORI) number attributed to the licence does not match the EORI declared in the declaration. You will need to contact HMRC for a correction to be applied if possible.

You will need to submit a new declaration once you have been contacted to confirm your issue is resolved.

What to do if you have received the error code 'CDS70711 Licence Error: Electronic licence does not exist'

In this scenario, you should log onto SPIRE/LITE and check the following steps.

1. Ensure your licence exists and is valid. If your licence does not exist, apply for a new licence using SPIRE/LITE.
2. Check that the measurement quantity unit that you have declared in DE 2/3 of your CDS export declaration is listed in appendix 20 of the CDS tariff.

If the measurement quantity unit on your licence is not listed in appendix 20 (for example, international units), you will need to [contact the Department for Business and Trade](#) to request for the licence to be re-issued with a licence measurement quantity unit listed on appendix 20 of the CDS tariff.

Once the licence is re-issued with a valid measurement quantity unit, you can submit a new declaration and declare the new licence measurement quantity unit in DE 2/3, determining the correct code to use from appendix 20 of the [CDS exports tariff](#).

### **What to do if you have received error code 'CDS70761 Licence has insufficient quantity remaining to meet claim'**

In this scenario, you should take the following steps.

1. Log onto SPIRE/LITE to check your licence has sufficient quantity to export your goods.
2. If your licence has sufficient quantity, check your CDS declaration to see if you have declared document status code 'EE' (Electronic Exhausted) or 'ES' (Electronic Surrendered) details in DE 2/3.

If you have insufficient quantity left on your licence or you have incorrectly declared the document status code, do not contact the Department for Business and Trade. Instead, you will need to apply for a new licence.

If you have declared document status code 'EE' (Electronic Exhausted) or 'ES' (Electronic Surrendered) details in DE 2/3, please [contact HMRC](#) to inform them you have encountered this issue.

If you need to apply for an open general export licences (OGEL), you will need to register for a new OGEL licence from [the government website](#).

There is no application for an OGEL. You will be provided with a new GBOGE licence reference number and will be required to declare EP against your new licence in DE 2/3.

For any other type of licence, you will be required to re-apply for a new licence. This may require vetting and may take some time to be authorised and issued.

### **What to do if you have received 'CDS71216 Transaction not permitted: Licence is inactive and no longer available for use'**

This error can occur when a licence is exhausted and is now inactive and unavailable for use. For example, if you have previously submitted a CDS MRN with this licence and declared document status code EE (Electronic Exhausted) or ES (Electronic Surrendered) details in DE 2/3, accidentally exhausting your licence.

You should check the most recently accepted MRN to determine whether you have declared document status code EE (Electronic Exhausted) or ES (Electronic Surrendered) details in DE 2/3

If you have previously exhausted your licence, by declaring EE or ES in DE 2/3 in a previous MRN, you must re-apply for a licence. Do not contact the Department of Business and Trade. Instead, contact HMRC via the following [link](#) to inform HMRC you have encountered this issue.

If you need to apply for an OGEL you will need to register for a new OGEL licence from the government website here: [Open general export licences \(OGELs\) - GOV.UK](#)

There is no application for an OGEL. You will be provided with a new GBOGE licence reference number and will be required to declare 'EP' against your new licence in DE 2/3.



For any other type of licence, you will be required to re-apply for a new licence. This may require vetting and could take some time to be authorised and issued.

### **What to do if you have received ‘CDS70719 Licence Error: Electronic licence quoted although Document Status Code indicated paper licence’.**

In this scenario, you should check the following steps.

1. The document status code declared in the declaration is correct according to the type of licence held. You can determine this by [following this guidance](#). If so, resubmit your declaration using the correct document status code.
2. If you have declared a commodity code that requires 2 document status codes for the same licence but have not followed best practice, you will need to resubmit your declaration ensuring that you follow the best practice guidance detailed on this page.

### **What to do if you have received one of the error codes mentioned here and your goods are at the border**

If the resolution to the issue you have encountered requires you to apply for a new licence or requires HMRC or DBT intervention, you have the option of withdrawing your goods in land while waiting for your issue to be resolved. Since your declaration has been rejected, you do not need HMRC approval to withdraw in land.

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## **Exporters can soon apply for SIELs on LITE**

FROM 17 September 2024, the standard individual export licence (SIEL) service on Licensing for International Trade (LITE) is scheduled to move to [public beta](#) stage, which means that exporters will be able to apply for a SIEL on LITE. A toolkit will be provided in early September to support use of LITE, including frequently asked questions, support videos, and the joining details.

**SPIRE is still live and all other non-SIEL applications should continue to be applied for on SPIRE, for the time being.**

To ensure a smooth transition from SPIRE to LITE, you are asked to update your contact details on SPIRE. For support contact: [LITE.support@businessandtrade.gov.uk](mailto:LITE.support@businessandtrade.gov.uk).

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## **HR News**

### **Significant changes to unfair dismissal laws**

LABOUR PLANS to introduce a day-one right to protection from unfair dismissal for all workers, extending this right beyond the current framework, which applies only to employees. This means that from the first day of employment, workers would have legal protection against being fired without a fair reason, such as capability, conduct, or redundancy.

The proposal includes allowing employers to operate probationary periods to assess new hires, but with greater scrutiny on how dismissals are handled during these periods.

Employers will need to ensure that probationary periods are managed rigorously and consistently, as dismissals during these periods will need to be justified from the outset.

Employers will also need to review and potentially revise their employment practices, particularly in areas such as recruitment, probation, performance management, and dispute resolution, to prepare for these likely changes. The impact of these reforms could be significant, potentially altering the landscape of employment rights and employer responsibilities across the UK.

For more information see *People Management* [here](#).

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## Company News

### SDI group results announced

GAMBICA MEMBER, SDI, which has acquired a number of other members over the last few years, provided one of its regular investor updates in July. The report sets out the company's plans to buy and build, acquiring profitable, cash generative businesses and fostering growth post-acquisition.

The group has re-segmented its portfolio into three pillars:

- **Lab equipment**, which includes Monmouth Scientific, Safelab Systems, Synoptics and LTE;
- **Industrial and scientific sensors**, which includes MPB Industries, Sentek, Peak Sensors, Chell Instruments, and Astles Control Systems; and
- **Industrial and Scientific Products**, which includes, Fraser Anti-Static Techniques, Atik Cameras, Applied Thermal Control, Graticules Optics, Scientific Vacuum Systems.

The new segmentation is designed to encourage collaboration and knowledge transfer, provide improved routes to market, enable sharing and rebalancing of resource and marketing activities and deliver improved operational economies of scale.

Group revenues fell by over £1 million from financial year 2023 to financial year 2024 mostly resulting from reduced sales to Asia, including China. Overseas revenues make up 40% of the group's income. Organic growth in the group has been pretty much flat but of the £65.8m group revenue, adjusted operating profits were £9.6m, down from £12.8m in 2023. Reported profits after tax were £4.25m.

For the lab group alone, revenues grew by 7.6% to £26.8m, but showed an organic decline of 1.6% which compares with organic growth of 3.5% in the industrial and scientific products.

The fall in performance was attributed to unwinding of covid-related orders, destocking by key customers and higher cost of debt. To address these headwinds the group has been encouraging members to develop synergies and in this latest report, particular attention was drawn to a successful collaboration between Safelabs and Monmouth and to collaborative bids being spearheaded by LTE.

The group says it has an active mergers and acquisitions pipeline and noted the successful acquisition in 2023 of Peak Sensors whose revenues were £2.1m in its financial year ending March 23. Peak has contributed £1m to the sales of the group for the financial year ended on 30 April 24.

Performance in the second half of 24 was better and £3.8m in free cash flow has been generated in that six months. Cash will be used for future acquisitions targeting companies with stability and strong growth potential and the ability to complement and amplify value through leveraging the current portfolio, what CEO, Stephen Brown describes as a 'double bump'.

The group is bullish about the future outlook, having revised its 2025 guidance and planning operational efficiency initiatives to support margin growth. Cash generation remains strong according to the CEO with expectations set to deliver sustainable longer term organic growth of 5-8% and ongoing M&A activity.

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