

## Five Key Pieces of Legislation Affecting UK Business in 2018

### News Article



As a small or medium business, it can be hard to keep track of all of the changes in legislation that will affect your company. However, there are a huge number of vital updates to note this year, and plenty that needs to be done to prepare. Here are five of the most important

#### 1. GDPR

For most companies, wide-ranging changes to data protection legislation will be one of the biggest issues. GDPR (General Data Protection Regulation), came into force on 25 May this year, and requires every business to take a long look at the current way they deal with the data they hold.

The legislation is extensive, but one of the most important aspects of it is the fact that you may need new consent from those whose data you hold on your mailing lists, where tightened requirements mean it cannot be used in a way someone 'didn't sign up for'. If data was collected before GDPR with unambiguous and auditable consent, however, it is likely reliable post-GDPR too.

However, businesses would be advised to seek further consent around the data they have if the retention of data doesn't meet any of the other five legal bases for processing data. These are: a legal obligation such as an employment record; for the purposes of a contract; in life or death situations where individuals need to be sought out; in matters of the public interest or by order of a public authority; and where there is a legitimate interest.

Legitimate interest is the vaguest of the six bases and essentially where client or service relationships may demand the data be held, where holding it may prevent fraud, or where a central administrative function may need to hold data for multiple bodies.

More information is available at the Information Commissioner's Office (ICO) / [ico.org.uk](http://ico.org.uk).

#### 2. National Living Wage increase

The National Living Wage rose to £7.83 from £7.50 on 1 April 2018 as announced in the 2017 Autumn Budget. That's a 4.4pc increase. The National Minimum Wage, which applies at varying rates to employees aged under 25, will also rise. For those aged between 21 to 24 the new rate is between £7.05 and £7.38 per hour. For those aged between 18 and 20 the rate is between £5.60 and £5.90 per hour. For those aged between 16 and 17, the rate will rise from £4.05 to £4.20 per hour. The rate paid to apprentices will rise from £3.50 to £3.70 per hour.

Small and medium-sized business who do not pay the correct wage to their workers can be fined and risk being named and shamed by the Government. They must also pay any arrears immediately.

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#### 3. Publication of gender pay reports

From 6 April 2018, it became mandatory to publish information about the differences in pay between men and women. The information that you must publish is based on the gap between the two on 5 April 2017, and it is believed that the Equality and Human Rights Commission could investigate employers who fail to publish the data.

However, the smallest businesses are exempt from this, with those with fewer than 250 employees not required to publish data – although some business experts believe that it is still best practice to do so.

The Government Equalities Office and ACAS have produced joint guidance on pay gap reporting and the Gender Pay Gap reporting website can be found here: [gender-pay-gap.service.gov.uk](http://gender-pay-gap.service.gov.uk).

#### 4. Prohibition on corporate directors

While the implementation date on this piece of legislation is not yet clear, the Government is due to ban corporate directors – company directors that are corporate entities – this year. Directors will need to be “natural people”. Once the law comes into effect there will be a transitional period, expected to be a year, after which corporate directors will be banned.

#### 5. Brexit (EU Withdrawal Bill)

Here’s the big one. The EU Withdrawal Bill, which aims to ensure that EU law no longer applies in the UK after the UK leaves the European Union, will be scrutinised throughout 2018, together with its subordinate legislation. Almost every aspect of this legislation, from the free movement of people to

tariffs and debates around the Customs Union, is likely to affect the way small businesses operate. Although the law doesn’t come into force until March 2019, it is vital for small and medium-sized businesses to understand the implications and to get planning early.

Please contact a member of the Linea Team if you require more information regarding these changes, advice regarding their implement & adherence or support in managing the consequences; such as increased administration burden or cost.

*Source: The Telegraph*

#### About Linea

Linea is a results focused Organisational Excellence consultancy with a track record of delivering sustained superior performance that meets and where possible exceeds client expectations.

We combine the credentials of a top tier firm with the depth of expertise and flexibility of a niche practice to support clients in addressing their most pressing organisational issues through the provision of highly professional, innovative, customer focussed solutions which deliver expected business benefits on time every time.

With an exceptional track record of delivering multi-million pound savings for prominent Public and Private Sector clients, our Organisational Excellence approach provides the skills and capability required to support clients to maximise efficiency, improve quality and reduce cost.

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