RPC

Retail Compass Q1 and Q2 2018

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▶ For a tracker of legislative bills affecting retail, please **click here**.

Early in year

Financial Reporting Council to review corporate reports and audits

What is happening?	Financial Reporting Council (FRC) to review corporate reports and audits.
Why does it matter?	The FRC is the UK's independent regulator responsible for promoting high quality corporate governance and reporting. It sets the UK Corporate Governance and Stewardship Codes. In reviewing corporate reports, it aims to identify areas for improvement, especially in areas of particular interest to shareholders. General retailers will be a priority sector for corporate reports and audits selected for review in 2018/19.
What action should you take?	The FRC aims to write to 40 smaller listed and AIM quoted companies prior to their year-end, informing them that it will review two specific aspects of their next published reports and accounts. 1. Ensure, as far as possible, that your corporate reports are sufficiently detailed and accurate. 2. Consider the examples published by the FRC of what it considers to be better quality disclosures, to help meet the FRC's expectations with regard to reporting. 3. Consider how Brexit will affect the extent and quality of your disclosure of risks and uncertainties. 4. Be aware of the new International Financial Reporting Standards on revenue and financial instruments on companies' 2018 interim accounts.

Early 2018
Government call for evidence on tax for single-use plastic waste

What is happening?	The UK Government to launch a call for evidence on a tax system for single-use plastic waste.
Why does it matter?	This call for evidence will seek views on introducing a tax system for single-use plastic waste, with the ultimate aim of reducing the amount of such waste. If you produce or use single-use plastic waste you will be affected by any tax system imposed. Single-use plastic waste includes packaging and plastic wrap, polystyrene packaging and disposable food utensils such as coffee cups and cutlery. It does not include any waste that has been or is capable of being recycled. This development is particularly relevant for food retailers.
What action should you take?	1. Identify whether your organisation and/or supply chain make use of single-use plastic waste products. 2. Gather your thoughts on any potential tax imposed for use of these products, and consider producing a reply to the call for evidence.

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13 January 2018

Deadline for national implementation of the Second Payment Services Directive

What is happening?	The Second Payment Services Directive (PSD2) to be implemented on 13 January 2018.
Why does it matter?	The PSD2 increases the scope of the first Payment Services Directive (PSD1) which came into force in 2009. Among other improvements in payment services, the PSD2 will introduce regulation of and rights for: i. payment initiation service providers (PISP) who initiate payment orders with a customer's bank when instructed to do so by the customer; and ii. account information service providers (AISP) who enable customers to access aggregated information from online accounts with different banks. The PSD2 also takes a stricter approach to security than the PSD1, eg by increasing customer authentication requirements for the initiation and processing of electronic payments.
What action should you take?	1. Review your financial services offering, if any, and whether the PSD2 applies to these services. 2. Consider whether your company wants to offer these services, including payment initiation, display of account information and analysis of payment data. 3. Make sure that authorisation/consent is sought from customers who engage the services. 4. If you are a PISP or AISP, consider whether appropriate safeguards are in place for unauthorised, non-executed, defective or late payments, and that immediate refunding is possible. 5. Ensure that all PISP and AISP services have security measures in place to protect the confidentiality and integrity of customers' personalised security credentials.

Spring 2018
Revised National Planning Policy Framework expected

What is happening?	Revised National Planning Policy Framework (NPPF) expected in Spring 2018.
Why does it matter?	The NPPF sets out the sequential and impact tests for retail planning. Where the sequential test applies, out-of-centre retail sites should only be permitted if suitable sites in the town centre are not available. Where the impact test applies, an assessment must consider the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area. There has been a considerable amount of case law on these tests over the last few years, with some appeal decisions currently awaited, so we are waiting to see whether the tests will be amended or tightened up in the forthcoming NPPF. In the meantime, whether you are seeking to protect a town centre investment or planning an out of town retail development, it is worth considering the way in which appeal decisions are tackling the impact test in particular. It is clear that there is no magic percentage over which an impact on town centre vitality and viability will not be accepted, but it does seem that this figure is creeping ever upwards. In a recent decision concerning a proposal for A1 units at Macclesfield, the impact assessment found that there would be a 9.6% impact on the town centre, but this was found not to be a significant adverse impact justifying refusal of consent. Practitioners have commented that even a 20% impact on the town centre may soon not be a bar to out-of-town development.
What action should you take?	1. Review the NPPF, when it is published, and consider whether the retail planning policies have changed at all. 2. Ensure that you are keeping up to date with relevant appeal decisions to understand the direction of travel in applying the sequential and impact tests. 3. If you consider that your interest may be at risk from proposed out-of-town development, consider making representations during the planning process and whether the use of planning conditions may protect your interest. 4. If out-of-town retail development is happening near you, keep in mind your lease end date/break date and consider whether a move to a new retail site might be beneficial.

Back

Spring 2018
Government call for evidence on tax compliance for digital platforms

What is happening?	The UK Government to launch a call for evidence on what digital platforms could do to improve tax compliance.
Why does it matter?	The aim of this call for evidence is to prevent tax fraud through non-compliance by users of digital platforms. This is an extension of the previous efforts by the UK Government to tackle tax evasion by users of digital platforms, including traders operating through online marketplaces. If you are an online marketplace there will be greater pressure to ensure your users are cooperating with their tax compliance obligations and to minimise opportunities for online traders to unfairly undercut tax compliant businesses.
What action should you take?	1. Review existing practices for ensuring user tax compliance. 2. Consider with finance and compliance teams what steps could be taken to improve user tax compliance. 3. Consider responding to the Government's call for evidence.

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April 2018
Business rates – Retail Prices Index switches to Consumer Prices Index

What is happening?	For the purposes of business rates, the switch from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) is to be brought forward by two years, to April 2018.
Why does it matter?	Business rates in 2018 will, as a result of the change announced in the budget, rise by approximately 3% compared with this year's payment rather than 4%. Business rates increased significantly for many in April 2017, after being recalculated based on the increase (or decrease) in rentable values between 2008 and 2015. For many, that was a big jump. Traditional retailers in London were some of the hardest hit because values in the city had continued to rise following the financial crisis, whereas they had declined in other parts of the country. The normal five-yearly valuation cycle was postponed in the aftermath of the financial crash, making the change in 2017 even more significant. The most recent budget announcement seeks to avoid such radical changes by putting the valuation cycle onto a three year basis. The joint effect of more regular valuations and annual increases linked to CPI rather than RPI should make for a smoother ride going forwards following the sharp change back in April 2017.
What action should you take?	1. Check with your specialist real estate consultants whether any reductions to your assessed business rates are available. 2. Consider whether any exemptions apply and whether any relief may be available. 3. Join lobby groups as this clearly had a positive (if small) impact on the recent budget announcements.

April 2018
Increase in National Living Wage and National Minimum Wage

What is happening?	The National Living Wage (NLW) and National Minimum Wage (NMW) to increase in April 2018.
Why does it matter?	Effective from April 2018, the UK Government will increase NLW by 4.4% and adopt the recommendations of the Low Pay Commission in respect of NMW. NLW will increase from £7.50 to £7.83 and is payable to all employees aged 25 or over. NMW will rise between 3.7% and 5.4% and is dependent on age and/or position: Apprentices: from £3.50 to £3.70 per hour Age 16-17: from £4.05 to £4.20 per hour Age 18-20: from £5.60 to £5.90 per hour Age 21-24: £7.05 to £7.38 per hour
What action should you take?	1. Conduct a review of pay scales for qualifying employees. 2. Notify relevant finance and payroll teams of these increases. 3. Calculate and financially budget for these increases.

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April 2018
Introduction of sugar tax

What is happening?	A new levy on the production and import of soft drinks to apply from 6 April 2018.
Why does it matter?	Introduced by the 2016 Autumn Budget, this will be a "sugar tax" on "qualifying" sugary soft drinks produced in and/or imported into the UK. It will apply to all producers and importers of such drinks and consequently it will affect all UK soft drinks producers, importers, retailers and consumers. The levy will apply in two rates: a lower rate of 18p per litre for soft drinks with a total sugar content of 5 grams or more per 100ml, and a higher rate of 24p per litre for soft drinks with a total sugar content of 8 grams or more per 100ml. Businesses are liable if they have produced more than one million litres of liable drinks in the past 12 months, if they bottle or package liable drinks and/or import liable drinks from outside the UK. Exemptions apply to certain small businesses, for example if they produced less than one million litres of liable drinks in the past 12 months. Registration for this levy opens in January 2018.
What action should you take?	1. Review production and/or import levels of "qualifying" drinks. 2. Identify and record sugar levels in "qualifying" drinks produced and/or imported. 3. Ensure that your business registers for the tax from January 2018. 4. Calculate and financially budget for payment of the tax. 5. Notify relevant people that the tax will be payable direct to HMRC in a quarterly return, fixed in June, September, December and March.

April 2018
Changes to salary sacrifice tax and national insurance contributions arrangements

What is happening?	Changes to the tax and National Insurance Contributions (NICs) advantages of salary sacrifice arrangements.
Why does it matter?	If you offer benefits in kind through salary sacrifice arrangements or allow employees to choose between cash allowances and benefits in kind, the Income Tax and employer NICs advantages of these benefits (which are borne by the majority of taxpayers who may not benefit from such arrangements) are about to change. In order to address the unfairness, legislation will be introduced which will require all benefits in kind to be valued based on the higher of the salary sacrificed or the current taxable value of the benefit in kind. The following benefits in kind will not, however, be affected by this rule: • Employer provided pension saving • Employer provided pensions advice • Childcare vouchers • Workplace nurseries • Directly contracted childcare • Cycle to work schemes • Ultra-low emission vehicles emitting 75g CO2/km or less. Contracts for salary sacrifice arrangements entered into on or after 6 April 2017 will remain under the pre-2017 rules until either the contract is modified, changed or reviewed or until 6 April 2018 (or 6 April 2021 in the case of cars, accommodation or school fees), whichever is the earlier.
What action should you take?	1. Advise employees of the proposed changes so that they can consider whether they wish to stop using salary sacrifice. 2. Be aware of the potential administrative impact on your business. For instance, the cost of any IT changes required and changes to internal processes. In addition, there may be some on-going costs, such as the submission of additional P11Ds where employees are provided with exempt benefits only.

1 April 2018

Introduction of Minimum Energy Efficiency Standards

What is happening?

The Minimum Energy Efficiency Standards (MEES) to be introduced under the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2018.

Why does it matter?

From 1 April 2018, landlords of buildings within the scope of the MEES, including retail units, must not renew existing tenancies or grant new tenancies if the building has less than the minimum energy performance certificate (EPC) rating of E.

MEES provide that, where a building's EPC is rated below E, works will have to be carried out to bring the building's EPC rating up to an E. Landlords who fail to carry out such works before entering into a commercial lease lasting between six months and 99 years will be subject to a civil fine.

There are three formal exemptions:

1. If the works will not pay for themselves over seven years.
2. If any third party refuses consent which is necessary for the works.
3. If the works, if carried out, would reduce the property's capital or rental value by over 5%.

What action should you take?

1. Review your lease. Most retail tenants will be under a repair obligation.
2. Who should pay for the works? Where a tenant only rents part of the property the repair obligation will be limited to the internal envelope and the landlord will recover the cost of works to the common areas and the mechanical and electrical equipment etc through a service charge.
3. Does your lease require you to pay for improvements as well as repairs? A fairly drafted lease will only relate to repair and will not oblige the tenant to pay for any improvements to the property. However, the renewal or replacement of subsidiary parts of the building or premises is within the concept of repair and that may then involve the incidental making of improvements.
4. Consider whether any objections can be raised if your landlord is trying to make you carry out works which you do not consider you should have to pay for. It will be a question of fact and degree as to whether works carried out under MEES would be considered:
   i. an incidental improvement in the course of carrying out repairs (and so paid for by the tenant); or
   ii. works that are intended solely or principally to effect improvements so that the tenant would give back to the landlord something different from that which was let to him (and so paid for by the landlord).

1 April 2018

Extension to tax relief for zero-emissions goods vehicles and gas refuelling equipment

What is happening?	An extension to tax relief for First Year Allowances (FYA) for zero-emission goods vehicles and gas refuelling equipment to take effect from 1 April 2018.
Why does it matter?	FYA tax relief for the purchase of zero-emission goods vehicles and/or gas refuelling equipment for use in business will be extended to March/April 2021. This will provide retailers with an additional three years of 100% FYA. For the purchase of zero-emissions goods vehicles, the extension will apply to qualifying expenditure incurred on or after 1 April 2018 for Corporation Tax and 6 April 2018 for Income Tax. For the purchase of gas refuelling equipment, the extension applies to qualifying expenditure incurred on 1 April 2018 for both Corporation and Income Tax.
What action should you take?	1. Where possible, identify when any qualifying purchases may need to be made in the next three years. 2. Make a note of when this tax relief expires.

4 April 2018
Deadline for reporting gender pay gap

What is happening?	In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (SI 2017/172), employers with 250 or more employees will be required to publically report their own gender pay gap by 4 April 2018.
Why does it matter?	An organisation may pay men and women the same pay for the same work, but this alone does not necessarily indicate that the employer has no gender pay gap. If there is a bottleneck in the organisation's talent pipeline, resulting in a disproportionately male management team, the employer will have a gender pay gap. The gender pay gap is about female progression in its broadest sense.
What action should you take?	1. Start to collate the mandatory information required by the legislation. The first set of information relates to a 'snapshot date' of 5 April 2017 and must relate to the following sets of data: i. The difference in the mean (ie the average) hourly pay between male and female employees, expressed as a percentage; ii. The difference in the median (ie the middle) hourly pay between male and female employees, expressed as a percentage; iii. The difference in mean bonus pay between male and female employees over a period of 12 months, expressed as a percentage; iv. The difference in median bonus pay between male and female employees over a period of 12 months, expressed as a percentage; v. The proportion of male and female employees who received a bonus during the 12 month period; and vi. The proportion of male and female employees in each quartile pay band. 2. You will need to consider whether to go beyond the strict legislative requirements (listed above) and consider additional, broader metrics. However, in doing so, it's important to balance the potential advantages and risks (including legal risks) of a deeper review of the data. Some employers will decide to accompany their raw statistics with substantive narrative to set the data in the context of their own diversity story.

6 April 2018
Increase to van benefit charge and car and fuel benefit charge

What is happening?	Increase to the van benefit charge and car and fuel benefit charge to take effect from 6 April 2018.
Why does it matter?	Announced in the Autumn 2017 budget, the van benefit charge and car and fuel benefit charge will both increase in line with the September 2017 Retail Prices Index from 6 April 2018. This increase will affect your business if you provide company vans, free fuel for private journeys, and employees in receipt of these benefits.
What action should you take?	1. Identify all company vehicles. 2. Identify all employees receiving this benefit in kind. 3. Notify relevant finance and HR benefit-in-kind teams of the increases. 4. Update your finance systems to reflect each increase.

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6 April 2018

Extension of pause to Save-As-You-Earn payments

What is happening?	An extension of the available period to pause Save-As-You-Earn (SAYE) contributions for employees on maternity or parental leave to take effect from 6 April 2018.
Why does it matter?	From 6 April 2018, employees on maternity or parental leave will be able to extend the period in which they can pause contributions to SAYE schemes for up to 12 months. Employees on maternity or parental leave are currently entitled to up to 12 months' leave, but are able to pause SAYE contributions for only six months. The extension will allow employees greater control of their savings scheme and potentially prevent valuable options from lapsing. If you offer a SAYE scheme, you will need to be aware of these changes as they will affect any employee on maternity or parental leave.
What action should you take?	1. Notify HR/benefit-in-kind teams of this extension. 2. Update relevant internal maternity and/or parental policies. 3. Notify employees who currently receive this benefit of this change and options available to them.

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6 April 2018

Increase in pension auto-enrolment minimum contribution rates

What is happening?	Pension auto-enrolment minimum contribution rate to increase.
Why does it matter?	The second of three planned phases of increases: the minimum contribution rates for pension auto enrolment schemes, will rise to a total of 5% of qualifying earnings. Employers will be required to make a minimum contribution of 2% (up from the existing 1% requirement) with employee contributions to make up the remainder (to the total 5%). Contributions are required against any earnings meeting a minimum level of £133 per week and a maximum of £866 per week. Any auto-enrolment pension scheme which does not comply with the prescribed increase will cease to be a qualifying scheme for existing members.
What action should you take?	1. Review the pension schemes on offer to employees. 2. If you offer any qualifying pension schemes, agree with your pension scheme provider how you wish to calculate your minimum contributions. 3. Identify and notify your qualifying employees of upcoming changes to your minimum contributions and any minimum contribution they may now need to make.

6 April 2018
Changes to tax treatment of termination payments

What is happening?	Change to the tax treatment of termination payments.
Why does it matter?	From 6 April 2018, changes will become effective to the rules relating to the tax treatment of termination payments. The intention of the changes is to clarify the scope of the tax exemption and, in doing so, to prevent manipulation of the exemption. The changes include: 1. The introduction of a new concept of 'post-employment notice pay'. This will mean that all types of payment in lieu of notice (PILONs) will be taxable and subject to Class 1 National Insurance Contributions (NICs) irrespective of whether the PILON is contractual or is compensatory in nature. For instance, a payment given in recognition of an employer's failure to serve proper notice will now be taxable. 2. Employer NICs will be payable on payments above £30,000. 3. The removal of foreign service relief such that the entire termination payment will be taxable if the employee has had earnings subject to UK tax at any point during their employment. This is the case even if the they were never resident in the UK.
What action should you take?	1. When determining the costs of any redundancy programme, you should ensure that the additional 13.8% for class 1 NICs is factored into the cost analysis as this will now be charged on many elements of large termination payments. This may result in a need to make smaller discretionary awards to departing employees. 2. As only employer's class 1 payments will be charged (and not employee's), you or your payroll provider will need to set up new pay elements that charge class 1 contributions only for the employer.

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May 2018
Data Protection Bill becomes effective

What is happening?	The Data Protection Bill (DPB) 2017 to become effective in May 2018.
Why does it matter?	The DPB will replace the Data Protection Act 1998 (DPA) and is designed to both implement the General Data Protection Regulation (GDPR) into domestic law and modernise existing data protection laws which fall outside the scope of the GDPR. The new legislation will make big changes to how companies process, access and control data, including arming consumers with more powers over personal data held on them. Among other things, the DPB will: • implement GDPR standards across all general data processing; • retain effective elements of the DPA; • set the age of consent for processing of personal data to age 13; and • provide appropriate restrictions to rights to access and delete data in order to allow certain processing to continue where there is a strong public policy justification, including national security purposes. The DPB will ensure provisions of the GDPR remain in effect following the UK's withdrawal from the EU. If you don't comply you will be exposed to substantial financial penalties: the greater of 4% of global turnover or €20m.
What action should you take?	The changes introduced by the DPB are very much aligned with the GDPR and therefore the actions and considerations are one and the same. Please **click here** for more information about these.

10 May 2018

Deadline for national implementation of the Network and Information Systems Directive

What is happening?

The Network and Information Systems (NIS) Directive to be adopted into national law by 9 May 2018 and to take effect by 10 May 2018.

Why does it matter?

The NIS Directive, also known as the Cyber Security Directive, increases the scope of cyber security protections within the EU.

Among other things, its aim is to do this by:

- Improving cyber security capabilities at a national level through implementing a Cyber Security Incident Response Team; and
- Increasing cooperation among Member States.

There is a clear target on operators of essential services in the energy, transport, water, banking, financial market infrastructures, healthcare, and digital infrastructure industries.

Key digital service providers – search engines, cloud computing services, and (from a retail perspective) online marketplaces – will also have to comply with security and notification requirements.

Member states must implement national legislation to adopt the NIS Directive by 9 May 2018 and there are requirements for that national legislation to take effect from 10 May 2018.

The UK Government launched a consultation in response to the NIS Directive in August 2017, seeking views from industry, regulators and other interested parties. Responses to the consultation will help shape the national legislation drawn up.

The UK Government is proposing to have two bands of penalties for non-compliance. The lower of these, for lesser offences such as failure to cooperate with the competent authority, will be set at a maximum of the greater of 2% of annual turnover or €10m.

The higher band will mirror the substantial financial penalties in the General Data Protection Regulation: a maximum of the greater of 4% of annual turnover or €20m.

What action should you take?

1. Review existing cyber security measures.
2. If necessary, develop and implement stronger methods of protection.
3. Keep an eye out for when the UK Government publishes its draft and/or final legislation adopting the NIS Directive.

Back

25 May 2018

General Data Protection Regulation becomes effective

What is happening?	General Data Protection Regulation (GDPR) to become effective on 25 May 2018.
Why does it matter?	The GDPR will change the requirements for the retention and use of customer and marketing data. The GDPR will apply to all EU Member States (including the UK). Businesses based outside the EU must also comply where data processing takes place in the EU or concerns EU residents. The rules on consent for processing personal data will be tightened and obligations will also be enlarged. There will be no grace period for compliance. If you don't comply you will be exposed to substantial financial penalties: the greater of 4% of global annual turnover or €20m.
What action should you take?	1. Brief your IT Director and the rest of the Board. 2. Conduct a data audit. As part of this consider: what personal data is held? Where? How long do you retain it for? Why are you processing it? Is the benefit of keeping the data worth the time and costs of ensuring compliance with the GDPR? 3. Review and revise your privacy notices and re-comply consents: the GDPR will require consent to be freely given, affirmative and distinct for different processing operations. 4. Review and consider renegotiating your data processing contracts. You might need to update these to be compliant. 5. Review and improve your IT and physical security and data management protocols. 6. Prepare for data breaches in advance. Don't wait for them to happen. 7. Train all staff who come into contact with personal data. 8. Consider what resources you need to meet the new obligations under the GDPR. One area to consider is data subject access request handling capability. Do you need to outsource this? 9. Engage a Data Protection Officer, if required. 10. Review your international data transfers.

25 May 2018
ePrivacy Regulation scheduled to come into force

What is happening?

The ePrivacy Regulation was originally scheduled to come into force on 25 May 2018, alongside the GDPR – but this now looks overly ambitious (as the latest draft still needs sign off by the European Council).

Why does it matter?

The ePrivacy Regulation will complement the General Data Protection Regulation (GDPR). It will cover almost all services with an electronic communications element, including Over-the-Top communications services (eg Whatsapp), VoIP (eg Skype) and web-based email services (eg Gmail). It will also apply to services which are ancillary to another service, eg video games and dating apps. It includes detailed provisions on direct marketing, cookies, and online monitoring.

If your business has a strong online presence or engages in direct marketing or any form of electronic communications services, you should be aware of the following key developments:

1. Consent: the ePrivacy Regulation will adopt the definitions of consent in the GDPR. Users must be able to withdraw consent at any time, and it must be as easy to withdraw as to give consent.
2. Direct marketing: explicit consent will be required for direct marketing by electronic communications (subject only to the “soft opt-in” for existing customers).
3. Website cookies: companies will need to obtain explicit consent for every cookie “dropped”. Websites will not be permitted to make consent to cookies a mandatory condition of accessing the service. Cookie walls and banners are to be banned, and web browsers must block cookies by default (though the user could change this if they wish).
4. Content and metadata: the content and metadata of electronic communications may only be processed with the informed consent of end-users, and only to the extent that such processing is strictly necessary and proportionate for the service.

If you don’t comply you could be fined up to 4% of global annual turnover or €20m (whichever is higher).

Note that the ePrivacy Regulation is still being negotiated at the European level, and may change before implementation.

What action should you take?

1. Review your consent mechanisms, both for direct marketing and to cookies, and be ready to amend these to ensure that your business can continue to communicate with consumers in the way it wants to.
2. Keep watching! Have systems in place to monitor compliance with the ePrivacy Regulation and be ready to flex to accommodate any further changes.

9 June 2018
Deadline for compliance with EU Trade Secrets Directive

What is happening?	EU Trade Secrets Directive (ETSD) to be complied with by 9 June 2018.

Why does it matter?

The ETSD harmonises national provisions surrounding trade secrets. It introduces:

- a common definition of "trade secret" as:
  - i. a secret;
  - ii. which has commercial value because it is a secret; and
  - iii. is a secret which has been subject to reasonable steps to keep it a secret;
- measures to prevent the misappropriation of trade secrets. These measures include restricting unlawful use and disclosure of trade secrets, removing from sale goods produced from illegally acquired trade secrets and a right to compensation for damages caused by unlawful use or disclosures of trade secrets; and
- a broad defence to whistleblowing activities where a trade secret is acquired, used or disclosed either for the purpose of exercising the right to freedom of expression or for revealing misconduct, wrongdoing or illegal activity for the purpose of protecting the general public interest.

What action should you take?

1. Identify any trade secrets you may hold.
2. Ensure any confidential information is appropriately identified.
3. Identify existing protective measures you have in place, including non-disclosure agreements, internal policies & procedures, IT & security systems, and document management systems.
4. Review your internal best practices procedure to ensure employee compliance.
5. Conduct periodical comprehensive employee training.
6. Conduct a review of employment contract protections to ensure trade secrets are sufficiently covered.
7. Ensure effective precautionary measures are in place when either hiring employees from or losing employees to a competitor.
8. Review and/or implement an internal procedure for potential whistle blowers.

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Legislative bills tracker

Below is a list of all bills currently in the UK Parliament which have relevance to the retail sector. Although these are not yet in force, they give a flavour of developments to come.

Name of bill	Overview
Automated and Electric Vehicles Bill	To make provision about automated vehicles and electric vehicles.
Bread and Flour Regulations (Folic Acid) Bill	To amend the Bread and Flour Regulations 1998 to require flour to be fortified with folic acid.
Carbon Emission Reductions Bill	To amend the target for reducing net carbon emissions in the UK to 100% by 2050.
Carers (Leave Entitlement) Bill	To entitle employees to take a period of leave to fulfil certain caring responsibilities in respect of dependants.
Clean Air Bill	To require the Secretary of State to set, measure, enforce and report on air quality targets; to make provision about mitigating air pollution, including through the use of clean air zones; to make provision about vehicle emissions testing; and to restrict the approval and sale of vehicles with certain engine types.
Companies Documentation (Transgender Persons) Bill	To enable transgender people to apply to the registrar of companies for England and Wales for documentation relating to their change of name to be treated as protected information under the Gender Recognition Act 2004.
Deregulation Bill	To make provision for the reduction of burdens resulting from legislation for businesses or other organisations or for individuals and to make provision for the repeal or amendment of regulations.
Drone (Regulation) Bill	To regulate the purchase and use of drones weighing 5 kg or more.
Economic Strategy Bill	To make provision for the support of the United Kingdom's business sector and the development of an industrial and retail strategy.
Electronic Cigarettes (Regulation) Bill	To make provision for the regulation of the sale and use of electronic cigarettes; to exempt electronic cigarettes from UK law derived from the Tobacco Products Directive.
Employment and Workers' Rights Bill	To make provision about employment conditions and workers' rights.
Employment Opportunities Bill	To introduce more freedom, flexibility and opportunity for those seeking employment in the public and private sector.
Equality Act 2010 (Amendment) (Disabled Access) Bill	To amend the Equality Act 2010 to improve access to public buildings by introducing six-inch and 12-inch rules for step-free access.
Ethnicity Pay Gap Bill	To make provision about the publication of information related to the differences in remuneration between ethnic groups.
Finance (No2) Bill	To act as the vehicle for renewing annual taxes, delivering new tax proposals and maintaining administration of the tax system.
Fruit and Vegetables (Classification) Bill	To make provision for fruit and vegetables to be classified by flavour, condition and size for the purposes of sale in the UK.
Gangmasters (Licensing) and Labour Abuse Authority Bill	To amend the Gangmasters (Licensing) Act 2004 to apply its provisions to certain sectors including construction, care services, retail, cleaning, warehousing and the transportation of goods.
Holiday Pay Bill	To make provision about holiday pay for employees.
Import Tariff (Reduction) Bill	To make provision for the reduction of tariffs on goods imported into the United Kingdom.

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Legislative bills tracker

Name of bill	Overview
June Bank Holiday (Creation) Bill	To make provision for a national public holiday on 23 June or the subsequent weekday when 23 June falls at a weekend.
Manufactured Goods (Trade) Bill	To remove certain restrictions on the production and sale of goods manufactured in the United Kingdom for use in the United Kingdom, in connection with the withdrawal of the United Kingdom from the EU.
Maternity and Paternity Leave (Premature Birth) Bill	To amend Part 8 of the Employment Rights Act 1996 to make provision about maternity and paternity leave for parents of babies born prematurely.
Modern Slavery (Transparency in Supply Chains) Bill	If implemented, would add provisions requiring • commercial organisations and public bodies to include a statement on slavery and human trafficking in their annual report and accounts; and • contracting authorities to exclude from procurement procedures economic operators who have not provided such a statement.
National Living Wage (Extension to Young People) Bill	To extend the National Living Wage to people aged 18 to 24.
National Minimum Wage (Workplace Internships) Bill	To require the Secretary of State to apply the provisions of the National Minimum Wage Act 1998 to workplace internships.
Parental Bereavement (Leave and Pay) Bill	To make provision about leave and pay for employees whose children have died.
Parental Bereavement Leave (Statutory Entitlement) Bill	To make provision for the statutory allowance of parental leave for grieving a passed child and/or for the supporting of the other parent.
Parking (Code of Practice) Bill	To make provision for, and in connection with, a code of practice containing guidance about the operation and management of private parking facilities.
Pensions (Review of Women's Arrangements) Bill	To establish a review of pension arrangements for women affected by changes made by the Pensions Act 1995 and the Pensions Act 2011.
Sugar in Food and Drinks (Targets, Labelling and Advertising) Bill	To require the Secretary of State to: • set targets for sugar content in food and drinks; • provide that added sugar content on food and drink labelling be represented in terms of the number of teaspoonfuls of sugar; and • provide for standards of information provision in advertising of food and drinks.
Taxation (Cross-border Trade) Bill	To impose and regulate a duty of customs by reference to the importation of goods into the United Kingdom; to confer a power to impose and regulate a duty of customs by reference to the export of goods from the United Kingdom; to make other provision in relation to any duty of customs in connection with the withdrawal of the United Kingdom from the EU; and to amend the law relating to value added tax, and the law relating to any excise duty on goods, in connection with that withdrawal.
Trade Bill	To make provision about the implementation of international trade agreements; to make provision establishing the Trade Remedies Authority and conferring functions on it; and to make provision about the collection and disclosure of information relating to trade.
Unpaid Trial Work Periods (Prohibition) Bill	To prohibit unpaid trial work periods in certain circumstances.

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Legislative bills tracker

Name of bill	Overview
Unpaid Work Experience (Prohibition) Bill	To make provision for the prohibition of unpaid work experience exceeding four weeks.
Unsolicited Marketing Communications (Company Directors) Bill	To enable the Information Commissioner's Office to take action against company directors for breaches of the Privacy and Electronic Communications (EC Directive) Regulations 2003 relating to unsolicited marketing communications made by a company.
Value Added Tax Bill	To enable the maximum turnover threshold for exemption from the requirement to register for VAT to be raised and to make provision for the exemption of certain goods and services from liability to VAT.
Vehicle Fuel (Publication of Tax Information) Bill	To require the inclusion on vehicle fuel receipts of the amounts of each tax paid and to require all retail fuel pumps to display the amounts of taxes paid when dispensing fuel.
Workers (Definition and Rights) Bill	To amend the definition of worker and to make provision about workers' rights.
Workers' Rights (Maintenance of EU Standards) Bill	To make provision about the safeguarding of workers' rights derived from European Union legislation after the withdrawal of the UK from the EU.
Working Time (Regulations) Bill	To make provision for the expiration of the Working Time Regulations 1998 and to provide for regulations governing working time.

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