

FORESIGHT Thinking ahead – Retail

October 2015



Here to help

This edition of Foresight outlines legislative and regulatory changes relating to retail which we expect to come into effect in the next 18 months. With a little Foresight, Walker Morris can help you plan ahead.

2015

"Modern slavery"

Following the entry into force of the Modern Slavery Act 2015, large retailers must audit their supply chains, in the UK and overseas, to enable effective reporting in accordance with the Act's detailed requirements. Government guidance on how to do this is expected to be published in October. For more information, click here.

1 October 2015

Information on Alternative Dispute Resolution (ADR) procedures

The Alternative Dispute Resolution for Consumer Disputes (Competent Authorities and Information) Regulations 2015, as amended, come into force. All businesses selling to consumers, whether or not they use ADR, must give the consumer information about an appropriate ADR provider in their sector and inform the consumer whether the business will use ADR. The information only needs to be provided after the business' internal procedure has failed to resolve the dispute.

For more on the new regulations, see our earlier article

5 October 2015

Plastic bags

Plastic bag charges will become mandatory for large retailers (250 or more full-time employees or equivalent). The minimum charge will be 5p per bag. There are detailed rules regarding which bag to charge (and not to charge) for and also detailed reporting obligations.

October 2015

Consumers

The Consumer Rights Act comes into force. We have written previously on the steps retailers should take to be <u>ready</u> for the Act, and also on the new <u>enhanced enforcement powers</u>.

The Act also contains new provisions facilitating the bringing of collective actions by consumer groups for breaches of competition law.

December 2015

Data Protection Regulation

The final version of the EU General Data Protection Regulation is scheduled to be ready by December 2015 (jointly agreed by the European Commission, European Parliament and European Council). The Regulation will overhaul the existing EU data protection regime, which underpins the UK Data Protection Act. The Regulation will come into effect two years after the date of publication.

April 2016

National Living Wage

The National Living Wage comes into effect. It is set at £7.20 per hour for its first year. The Low Pay Commission has been tasked with setting the figure for April 2017. The Government says it hopes for a figure above £9 per hour by 2020.

2016

Sunday trading

The rules limiting larger stores to just six hours' trading on a Sunday will be repealed. The decision on whether to allow all-day trading will be taken by local councils and elected mayors.

The new rules are likely to come into force sometime in 2016.

2016

Land agreements

Ruling expected from the Court of Justice of the European Union on whether exclusivity agreements given to anchor tenants in a shopping centre automatically infringe EU competition law, irrespective of their effect.

We have written <u>previously</u> on the application of the EU/UK competition regime to land transactions, in particular involving retailers.

2016

Immigration Bill

The Immigration Bill should become law next year. Under the current proposals,

employers found to have employed an illegal worker may face a penalty of up to £20,000 if they are not able to demonstrate that they have carried out the requisite documentation checks. There is also a proposal to introduce a financial levy on employers using migration labour and to oblige employers to advertise positions in the UK before doing so overseas.

Early 2017

Online retailing

The European Commission launched a competition enquiry into the e-commerce sector in March, focusing on electronics, clothing and shoes as well as digital content. The investigation will examine barriers to effective competition in the sector and could lead to enforcement action against online retailers found to have contravened competition law. See our article here for more on this investigation and of the need to review and refresh compliance programmes.

The preliminary report is expected in the middle of next year with the final report due in the first quarter of 2017.

The EC investigation reflects developments in the UK where the Competition & Markets Authority has included online retail as a priority, particularly resale price maintenance.

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