



ADVISERS ON TRADING STANDARDS  
LAW & SYSTEMS

# SAFETNET

Your free quarterly Trading Standards legal update from Lawco

**WELCOME** to the Winter 2007/08 edition of **safeTnet** your trading standards update brought to you by Lawco in association with VMC Ltd and Experian's Automotive Division.

## **WHAT'S** in this issue?

- New corporate manslaughter laws
- Changes to the Consumer Credit Act
- Free training for all sales executives

## **NEW corporate manslaughter laws**

**6 April 2008** sees the introduction of new laws as part of the Corporate Manslaughter Act, which it is expected, will make successful prosecutions against companies much easier.

The Act does not create any new obligations, but it does require compliance with existing health and safety law, which includes ensuring that staff and other individuals affected by the company procedures are safe whilst driving. This means that firms are liable if they do not ensure that both drivers and vehicles, including private vehicles, are fit to be on the road. Police will check that staff are properly insured, have an MOT (if required) and have a valid driving licence. Superintendent Mark Bird, from the Metropolitan Police's Traffic Unit said: *"More and more we carry out follow-up investigations with companies after collisions to ensure that work-related road safety is embedded within company policy."*

Fines are unlimited and juries will no doubt take into consideration company policy. Therefore if your health and safety policy statement does not cover work related road safety, now is the time to act. You should have a written policy in place to ensure all company vehicles are regularly safety checked and road legal; and procedures in place to ensure the policy is working.

If you are unsure of your responsibilities Lawco can carry out an on-site risk assessment to ensure you are taking all necessary precautions. See our website for more information.

## Consumer Credit changes

**On 6 April 2008** changes in the Consumer Credit Act 2006 come into force. The changes include a new licencing regime, additional powers for the OFT and the removal of the financial limit.

The powers available to the OFT with regards licencing are to be strengthened. They will have more control over the way a licence is issued and may require additional evidence regarding fitness to hold a licence both before issue and whilst a licence is in force. The OFT have the power to refuse or repeal a licence; they will also have the ability to impose civil penalties of up to £50,000.

The other major change will be the removal of the £25,000 limit for regulated agreements. From 6 April 2008 **ALL** lending to a consumer will be covered by the Act and therefore regulated. Exemptions still exist for sales to corporate bodies, who are outside the legislation altogether and credit over £25,000 for business use.

In effect this means all credit under £25,000 will be regulated (except corporate bodies) and all credit over £25,000 will be covered if for anything other than business use (except corporate bodies). There is another exemption for high net worth individuals, but these circumstances are likely to be rare.

You must ensure all your sales and admin staff are aware of the changes.

**Note:** This means business adverts will also be caught (for credit under £25,000), as will all consumer credit advertising no matter what the amount of credit. Does your advertising comply? If you need assistance Lawco offer an advertising compliance check service, please ask for details or visit our website.

The advice given above is a brief outline of changes in legislation and is not designed as a comprehensive explanation of the law. Full details and training are available from Lawco, or why not join our membership scheme and receive all these benefits at no extra cost.

## LAWCO Membership scheme

There has never been a better time to join Lawco's exclusive membership scheme, which for a limited period, is now offering **free** training. For an annual subscription you can receive an **on-site** trading standards risk assessment with a **full report**, an online **training** course of your choice, 2 **adverts** compliance checked per month, **free** telephone advice line, 5 hours of **legal** casework including trading standards liaison and civil court representation, **unlimited** access to our web based trading standards manual and advice **guides**, plus massive **discounts** on other products. **Total peace of mind for just £995** + vat per year. Amazing value, **save a massive** £2,200 on the usual cost of these services. Terms and conditions apply.

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