

BEER MAT MENTORING MEETING NOTES

(19) Compliance

Politicians forget small businesses don't have a compliance department to respond to every whim. On pension 'auto enrolment' for example, everyone has to 'opt in' before they can get the form to 'opt out' in order to receive payments into their existing personal pensions. Failure to go through the hoops can cost £10,000 a day.

Here's a basic check list.

Tax

- ☐ When you become self-employed, register with HMRC and complete an annual self-assessment tax return. You probably need to pay National Insurance (Class 2 flat rate, to be abolished in April 2018, and Class 4 on profits), and income tax.
- ☐ Register for VAT if turnover is over £85k and consider registering if turnover is less; check HMRC for the fine detail.
- ☐ If you have set up a registered company, check out corporation tax and complete an annual return.

Employment

- ☐ Do you have employment contracts for staff members and do you meet minimum wage and auto-enrolment pension requirements?
- ☐ At the appropriate point, don't fall foul of the law on parental leave, sick leave, disciplinary issues and dismissal, discrimination and retirement.

Workplace

- ☐ Have you carried out a health and safety risk assessment, evaluated the hazards, taken 'reasonable' action to minimise risks, recorded your findings and do you review your assessment regularly? Is all portable equipment PAT tested?
- ☐ Have you informed employees about your health and safety policy and procedures and supplied employees with information about your findings, informing them about safe working methods, protective clothing and workplace rules? Have you got an accident book that all employees are aware of?
- ☐ Have you taken out Employee Liability Compulsory Insurance and is your certificate on display?

Digital

- ☐ Don't break copyright on images on your website or elsewhere: certain companies search for them and hit you with an invoice for thousands of pounds.
- ☐ Don't send unsolicited direct marketing emails or messages to individuals: if a breach occurs, both the transmitter and the person on whose behalf it is sent are liable to pay damages. Emails can only be sent where consent has been given or where a 3-point "existing customer relationship" test is met. Always include an 'unsubscribe' link.
- ☐ Emailing companies is less clear cut but take the same approach to be safe.
- ☐ Ensure your software is properly licensed.
- ☐ Comply with data protection law, register with the ICO if required, and keep your data safe from both hacking and theft of portable equipment. Paying compensation is expensive.

Insurance

- ☐ As well as Employee Liability Insurance, do you need product liability, public liability, or professional indemnity, shop, tradesman or landlord insurance?

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