



# Big fines are on the way, are you data compliant?



In less than a year, all businesses that process personal data will have to comply with new EU legislation or face a big fine. At a time when the latest global cyber-attack is still fresh, greater transparency in data handling may provide some reassurance to employees, customers and clients.

The new [General Data Protection Regulation](#) takes effect on 25 May 2018 and will have widespread application. It will cover the use of personal data in both an HR and business context, including any dealings with suppliers or customers who are sole traders or partnerships.

In the property sector, use of CCTV in a communal area, a landlord obtaining a reference from a prospective tenant or a business using an individual's personal data to market goods or services to them are all examples of areas covered by the new law.

Among the key changes to be introduced are:

- Compulsory notification of data breaches to both the regulator and individuals affected
- A need to ensure that any consents to access personal data are compliant and refreshed appropriately
- A need for transparency in how personal data is used. Individuals will have greater access to data held on them and a 'right to be forgotten'.

The law even extends to third-party organisations that process personal data on behalf of businesses, such as cloud providers. Anyone who has access to an individual's data, wherever they are based, is responsible in the case of a breach.

Companies should be looking to progress the following actions at the earliest opportunity:

- Assess what personal data they hold and whether there are any rogue (and non-compliant) databases in their business
- Evaluate how they collect personal data and whether they are sufficiently transparent in telling individuals how it is used

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- Review privacy policies/fair processing notices and data breach policies and procedures, ensuring they are robust enough under the new legislation
  - Examine contracts relating to data processing including those with cloud providers, mailing houses and analytics businesses.

Failure to take these steps could prove to be very costly with fines of up to €20m (£17m) or 4% of annual worldwide turnover, whichever is greater. But as Joanne Bone of Irwin Mitchell points out, data compliance can also be used as a positive, to build trust and confidence with clients. It could even save a business money by avoiding the cost of repairing an expensive security breach.