

[At a glance]

For UK Financial Adviser use only

GDPR - What's it all about?

How companies collect, use and distribute your personal data is high on the news agenda. We wanted to take this opportunity to tell you about new rules that are coming into effect soon.

Right now, we are all protected by the Data Protection Act (DPA) which has been around since 1998. But on 25 May 2018 the law protecting your personal information will change and the DPA will be replaced by a new Act, which will be based on the General Data Protection Regulation (GDPR).

The GDPR was introduced by the European Union (EU) as a way of making data protection rules more consistent across all member states. Considering how much the world, and buying-habits, have changed and how much more we use technology and social media it's no surprise that the old DPA rules, which worked fine in 1998, were in need of an overhaul.

The new law will apply in all EU countries, not just those in the UK. The GDPR defines how we, and other organisations, are allowed to collect, use and store anyone's personal information. It not only covers anything that identifies you directly, but pieces of data that can be put together to paint a picture of who you are.

We think that the new regulations are a step in the right direction as they require firms to be a lot more accountable when it comes to people's data and the way it is treated. The new rules will also give you more rights with regards to how your information is used.

A lot of the GDPR sets out what companies must do differently. It also covers how regulators (like the UK's

Information Commissioner's Office) will oversee what firms are doing and what to do to bring people to book when they get it wrong.

How far reaching is the GDPR?

Organisations of any size will have to adhere to the GDPR rules, and not just in the finance sector. It will apply, for example, to online retailers, supermarkets, pharmacies, social media platforms, utilities and even the Government.

Who has to comply?

Any company that stores or processes personal information about EU citizens must comply with the GDPR, even if they do not have a business presence within the EU.

What does consent mean?

If an organisation wants to send potential clients brochures or emails that promote their products and services they will need to ask for their permission and give them choices about how they want to be contacted. This is known as 'consent'. A firm will no longer be able to fall back on pre-ticked boxes filled in previously. Nor can they make someone agree to receive marketing material as a condition of buying a product or service (by the way, LV= have never done this).



How do the changes impact me?

Of course you want to be able to tell your clients about products and services you think they'd be interested in, however the GDPR means you have to tighten your processes to make sure that you collect, use and store your clients' information so that it complies with the new high standards – and ultimately the wishes of your clients, and any other consumers that may have made contact with you in the past, and whose data you still have.

One of the biggest changes facing organisations like yours, is in keeping customers informed. Your obligation is to tell clients how you will use their data and what rights they have under the GDPR. This may, in an ironic twist, result in companies like yours having to write to customers more often.

The key to this is balancing what your clients need to know with how and when you need to tell them things. You'll also need to prepare for the unknown. It isn't possible to know how many customers will exercise their rights under the new rules so you'll need to be alert and agile too.



Go live:
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"Getting ready for the GDPR requires time and effort but it helps to remember that the GDPR is about taking care of people."

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