

CFALG2

Keep up to date with current legislation affecting your business



Overview

It is important to make sure that your business, including your staff, customers and suppliers, is legally protected. You do this by ensuring that you are meeting statutory laws and regulations affecting your business.

You might do this if you need to:

1. review the legal format of your business or a social enterprise
2. merge with another business or social enterprise
3. take over a more established business or social enterprise

Keep up to date with current legislation involves:

1. investigating current regulations and laws to do with setting up and running a business
2. developing appropriate systems and/or procedures to comply with company law and legislation
3. setting terms and conditions in contracts or agreements (such as with suppliers) that meet legal requirements

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Performance criteria

You must be able to:

- P1 find out about current laws and regulations that affect your business
- P2 decide what tasks need to be done, when and by whom, to comply with laws and regulations
- P3 identify the people and organisations where you can get advice and support on laws and regulations
- P4 decide what terms and conditions that conform to trading standards you will offer your customers and suppliers
- P5 decide if you need to protect any part of your business by using copyright or patenting
- P6 look at how your business will affect the environment and think about any changes you need to make to lessen the effect
- P7 decide how you will meet health and safety laws and regulations related to your business

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Knowledge and understanding

You need to know and understand:

Laws and regulations

- K1 what the requirements are for your business in order to trade legally (for example licences, planning permission, health and safety, employment law, trading standards, consumer protection, contracts and record-keeping)
- K2 how the law can protect you and your business
- K3 what the thresholds are for some laws and regulations (for example the amount of turnover before you must register for VAT)
- K4 who has the power to inspect your business activities to enforce laws and regulations
- K5 what can happen if you fail to operate your business within the law and other regulations

Legal and statutory requirements

- K6 what system to use to make sure that forms are completed or tasks done so that you continue to meet the legal requirements of your business

Agreements and contracts

- K7 why it is important to agree terms and conditions with your customers, suppliers and backers (for example dealing with late payments and poor performance of suppliers)
- K8 why it is important to take professional advice about contracts and agreements

Copyright

- K9 why and when you might apply to patent or copyright your trading name or products
- K10 how to apply for a patent or copyright

Health and Safety

- K11 what health and safety regulations apply to your business
- K12 what environmental laws apply to your business

Professional advice and information

- K13 what information on laws and regulations is available and from which organisation
- K14 why it is important to use proper advice to find out about law and regulations and how to use free and paid for sources of advice
- K15 what role the professional adviser has

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Additional Information

Links to other NOS

1. LG1 Choose a legal format that suits your business
2. LG3 Develop procedures to control risks to health and safety
3. LG4 Conduct an assessment of risks in the workplace
4. LG5 Assess the environmental impact of your business

Links to other standards

If your business grows and develops a management team it may be appropriate to consider the following units from the Management and Leadership Standards.

5. B2 Map the environment in which you organisation operates
6. B8 Ensure compliance with legal, regulatory, ethical and social
7. E7 Ensure an effective organisational approach to health & safety

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