



# COMMERCIAL BULLETIN

Your guide to the latest legal updates  
from the team at Radius Law.

MARCH 2026

# Nº 94

## CORPORATE & COMMERCIAL

---

### Payment reporting.

The Government has reported that late payments cause the closure of 38 businesses per day and cost the UK economy £11 billion per year.

In 2025, we saw a raft of new large-business<sup>1</sup> reporting requirements regarding their payment performance. On 1st January this year, further requirements were implemented<sup>2</sup>, **requiring large businesses to include payment practices disclosures in their Directors' Reports** for financial years beginning on or after that date. Large businesses should also brace themselves for the [Government's response to the late payment consultation that is expected imminently](#). The consultation proposed major reforms, including a 60-day payment cap, a 30-day invoice dispute deadline, statutory interest at 8%, and stronger powers for the Small Business Commissioner.

### Recoverable losses.

The recent Court battle between McLaren Racing and driver Alex Palou<sup>3</sup> has provided useful guidance on the types of claims that are recoverable following a contract breach.

Palou had signed to race for McLaren but then reneged on his commitment to stay with his current team. McLaren sought more damages under the following heads.

- \$1.3m in lost profits for additional costs incurred as a result of the higher salaries McLaren had to pay to other drivers. The Court agreed that this was a foreseeable and direct loss and therefore recoverable.
- \$5.4m in losses from negotiating a sponsorship deal on less favourable terms following Palou's breach. The Court agreed that this was a foreseeable and direct loss, and most of this claim was therefore recoverable.
- \$4.1m for performance-based losses, being the difference between the performance-based revenues that McLaren obtained compared with what McLaren argued would have been achieved if Palou had been driving for them. The Courts agreed that such losses were foreseeable and direct, but taking a cautious approach cut the value of the claim by 50%.
- \$3m signing bonus. The Court rejected McLaren's claim for repayment of the signing bonus. The court agreed with Palou that the bonus was payable upon signing the agreement and was not conditional upon any future performance.

The court criticised McLaren's document retention policies, noting regular deletion and use of disappearing messages, which undermined the reliability of McLaren's evidence.

### FCA fines former Carillion finance directors

Recent FCA [fines against former Carillion Finance Directors, Richard Adam \(£232,800\) and Zafar Khan \(£138,900\)](#), highlight the regulator's readiness to hold senior executives responsible for market disclosures. The FCA found Adam and Khan were 'knowingly concerned' in breaches of disclosure obligations, noting recklessness in their failure to respond to warning signs of Carillion's financial decline. The FCA applies a low threshold for 'knowingly concerned', there needs to be involvement and knowledge of relevant facts, but it's not necessary to show that they had awareness of a regulatory breach.

## Patent protection for AI and computer programs

The UK Supreme Court has delivered a pivotal judgment<sup>4</sup>, fundamentally changing how UK patent law treats AI and computer programs. Previously, computer programs were often excluded from even the first eligibility stage of patent protection, whereas now the bar for eligibility has been significantly lowered. Applicants merely need to refer to the ‘use of a computer, a computer-readable storage medium or other technical means’ to pass this first stage. This decision will not, however, open the floodgates to AI and computer program patents, as the applications will still need to survive rigorous scrutiny at the novelty and inventive step stages



## ADVERTISING & MARKETING

### CMA's Green Claims Guidance

In January, the Competition and Markets Authority issued [new guidance on making environmental claims across supply chains](#).

Key takeaways are:

- Responsibility for green claims attaches to the party making the claim, not the party that originally generated the information.
- Businesses must support environmental claims with solid data from any source.
- Contracts must require information sharing and verification to support claim accountability.

## CONSUMER

### Competition and Markets Authority issues £473,000 fine in first use of new DMCC Act powers

The CMA has fined **Euro Car Parks £473,000 for failing to respond to a statutory information notice**, marking the first use of its enhanced powers under the Digital Markets, Competition and Consumers Act 2024. This enforcement occurred before any finding of consumer law breach, demonstrating the regulator's intent to act decisively. Euro Car Parks defended their slow response, explaining that they had mistakenly believed the CMA emails were scams, but the CMA rejected this explanation, noting multiple official contact methods. Euro Car Parks' attempt to block public naming was refused by the High Court, and the penalty is under appeal.

## ESG

---

### Expansion of right to work obligations.

Section 48 of the [Border Security, Asylum and Immigration Act 2025](#) (implementation date to be confirmed) will significantly extend the obligations to complete right-to-work checks. Under the new regime, **any business involved in engaging a worker could be deemed the ‘employer’, even without a direct contractual relationship.** Going forward, it will therefore be important that businesses ensure right-to-work checks are conducted for all workers, regardless of employment relationship.



## DATA SECURITY

---

### New data protection laws implemented.

On 5 February, many of the changes to data protection under the Data (Use and Access) Act 2025 came into force, including:

- There is a new lawful basis for processing personal data: **Recognised legitimate interests.** This new basis provides pre-approved reasons for processing or sharing data, bypassing the need for a balancing test. It can only be used in limited circumstances, such as crime prevention.
- There are amendments to the Automated Decision Making Rules (ADM), **shifting from prohibition (with limited exceptions) to general permission**, albeit with safeguards like transparency, explainability, and contestability. ADM remains restricted when special category data is involved.
- There are clarifications for data subject access requests. Searches in response to subject access requests can now be limited to **‘reasonable and proportionate’** searches, and there is a new right to **‘stop the clock’** where further information is required.
- There is a new risk-based approach to international data transfers, replacing the EU’s essential equivalence test with a new threshold that the third country offers safeguards that are **‘not materially lower than’** the UK. The ICO published its [updated guidance on international transfers](#) on the 15th January.
- There is a **relaxation of consent requirements for certain cookies.** Analytics and functional cookies will be permitted without prior consent, provided that the user has been adequately informed and has been given the opportunity to opt out. **The new flexibility, however, comes with a warning of tougher enforcement and higher fines for those who get it wrong.** In addition, regulators will no longer need to prove substantial damage or substantial distress; **any contravention is punishable by a fine.**

## EMPLOYMENT

---

### Employment Rights Act – Government issues revised timeline

The Government has updated the [implementation schedule for the Employment Rights Act 2025](#), with several measures delayed and others accelerated.

Reforms relating to **fire and rehire have moved from October 2026 to January 2027**, and the **extension of the employment tribunal time limit from three to six months will take effect no earlier than October 2026**.

Conversely, the introduction of **electronic and workplace balloting for trade unions has been brought forward to August 2026**. The **Fair Work Agency remains scheduled for 7 April 2026**, though full operational capacity will take longer to establish.

Significant changes to trade union law took effect on 18 February 2026, including:

- Repeal of most procedural requirements of the Trade Union Act 2016
- Unions now only need to provide 10 days' notice of action
- Workers are protected from dismissal during industrial action, and from detriment short of dismissal.

From April 2026, further changes take effect, including:

- the doubling of the maximum protective award for collective redundancy failures,
- Day 1 rights for Paternity Leave and Unpaid Parental Leave,
- automatic whistleblowing protection for sexual harassment complaints,
- streamlined union recognition procedures, and
- voluntary gender equality and menopause action plans ahead of expected mandatory obligations in 2027.

### Employment Rights Act – new consultation exercises

The Government has published four new consultations on reforms under the Employment Rights Act 2025, namely:

- [fire and rehire provisions](#), including whether only 'extreme' shift changes impacting an employee's lifestyle, such as day to night working (and vice-versa) or weekday-weekend working (and vice-versa) should be restricted variations– this consultation closes on 1 April 2026
- [consultation on discrete changes impacting recognition ballots](#) – this consultation closes on 1 April 2026
- [consultation on flexible working](#), seeking views on the content of consultation meetings with employees who make a request – this consultation closes on 30 April 2026
- [consultation on tipping](#), seeking views on new duties requiring employers to consult workers when creating or revising tipping policies – this consultation closes on 1 April 2026.

## Failure to harmonise contractual terms after a TUPE transfer can amount to discrimination

The Employment Appeal Tribunal (EAT) has confirmed that discrimination may occur when TUPE transferred employees remain on less favourable legacy terms than an employer's existing workforce.

Eighty cleaners—mostly from BAME backgrounds—transferred from a service provider (OCS) to GOSH in 2021. After transfer, they continued on lower value OCS terms, while equivalent in house NHS staff were on more generous Agenda for Change terms covering pay, holiday, sick pay, and pensions.

The tribunal held that:

- no claims could be made for the pre transfer period, but there was post transfer indirect race discrimination
- GOSH retained staff on inferior terms for over a year and failed to justify the delay
- The ongoing disparity disproportionately affected a racially diverse group
- The Trust had legal advice confirming it could vary terms but did not act on it.

The EAT upheld the Tribunal's ruling.

***The judgment applies across all TUPE contexts—public and private sector, business transfers, outsourcing and re tendering***—and confirms that disparities affecting protected groups create legal risk. Employers should consider auditing terms and conditions of employment and plan timely harmonisation post-transfer, to reduce the risk of claims.




# Protection against the risks of the Corporate Insolvency and Governance Act.

## Did you know...

If your customer is insolvent, you may need to continue supplying it.



## How can Radius help?

			FIXED FEE <b>£4,950</b> +VAT
Review and revision of sales contract terms with protective provisions*	CIGA video team training.	Best practice contract management guide.	

\*Contract review for one contract only, the review is for CIGA protection and not a general review of all provisions.

[LEARN MORE](#)

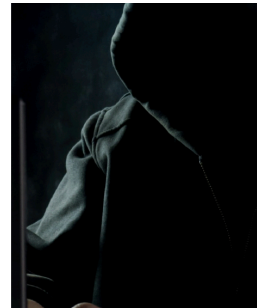
## The new Duty to Prevent Fraud

### The law




The Duty to Prevent Fraud offence came into force on 1 September 2025

The offence is introduced as part of the Economic Crime and Corporate Transparency Act 2023 (ECCTA).

Companies are liable if an employee or other 'associated person' commits fraud to benefit the organisation or to anyone that receives services from the company.



### The Radius Plan

		
Fraud prevention workshop and plan  <small>(Includes pre-workshop consultations, workshop, and written plan with gap analysis)</small>	Fraud preventions policies and contract term	Bespoke staff training video  <small>(Includes unlimited global licence)</small>
<b>£12,000</b> +VAT	<b>£6,000</b> +VAT	<b>£8,000</b> +VAT

[LEARN MORE](#)

## Cases, laws, decisions referred to in this Bulletin

1	From 6 April 2025, a large business subject to UK payment reporting regulations is defined as a company or LLP that exceeds at least two of the following thresholds for two consecutive years: an annual turnover of £54 million or more (increased from £36m), a balance sheet total of £27 million or more (increased from £18m), and 250 or more employees
2	Companies (Directors' Report)(Payment Reporting) Regulations 2025
3	McLaren Indy LLC & McLaren Racing Ltd v Alpa Racing USA LLC & Others Case No: CL-2023-000456
4	Emotional Perception AI Limited (Appellant) v Comptroller General of Patents, Designs and Trade Marks (Respondent) [2026] UKSC 3
5	Plan to Make Work Pay and Employment Rights Act: timeline update - GOV.UK
6	Make Work Pay: fire and rehire – changes to expenses, benefits, and shift patterns - GOV.UK
7	Consultation on creating a modern framework for industrial relations (web accessible version) - GOV.UK
8	Make Work Pay: improving access to flexible working - GOV.UK
9	Make Work Pay: strengthening the law on tipping - GOV.UK
10	Alpha Anne & Others v Great Ormond Street Hospital NHS Foundation Trust [2026] EAT 15



### Are you an in-house lawyer?

Do you want to share ideas, make connections or get inspiration from other in-house lawyers?

If so – join our in-house lawyer LinkedIn group. [Register here](#), its free!

#### Disclaimer

Nothing in this Bulletin, or on the associated website, is legal advice. We have taken all reasonable care in the preparation of this Bulletin, but neither we nor the individual authors accept liability for any loss or damage (other than for liability that cannot be excluded at law).