

# Guide to operating your Tax Fee Protection Insurance Scheme in a GDPR compliant manner



In order to prepare Qdos Vantage for GDPR we have employed external consultants to undertake a review of all of our data handling processes and procedures to ensure that we are GDPR ready by the 25th May deadline. This review has also considered the implications of GDPR for our accountancy clients when they are operating a Tax Fee Protection (TFP) Insurance scheme.

Whilst it is ultimately your responsibility to ensure that you are GDPR compliant, the key to compliance is ensuring that you have documented processes and policies in place, that demonstrate compliance in the event of challenge from the Information Commissioner's Office. The following guidance in our view will fulfil that requirement.

## The position can be summarised as follows:

Action	Undertaken by Accountant	Undertaken by Qdos Vantage
Writing to clients inviting them to purchase TFP	You write to your clients - You do not need to obtain prior consent from your clients as your clients have a legitimate interest in TFP**	We write to your clients (using your letterhead) - No prior consent required as your clients have a legitimate interest** however your Privacy Notice should be updated and circulated prior to the data being passed to Vantage (in order for us to undertake the mailing) confirming that data will be shared with Vantage solely for the purpose of administering your TFP scheme. Your updated Privacy Policy should be included in your Terms of Engagement thereafter. Accountant (controller) and Vantage (processor) should put in place a Data Processing Agreement, which reflects this arrangement.
Client wants to purchase TFP and returns reply slip	Reply slip returned to yourselves - Reply Slip Declaration needs to confirm that data will ultimately be passed to Vantage in order to fulfil the TFP (but for no other purpose).	Reply Slip returned to Vantage - Reply Slip Declaration needs to confirm that Reply Slip is being passed to Vantage who will fulfil the TFP (but for no other purpose).

### \*\*Legitimate interest

No prior consent is required as your client has a legitimate interest in being made aware of your TFP scheme. There are three elements to the legitimate interests' basis. You need to:

- 1. Identify a legitimate interest** - your client has a legitimate interest in being made aware of your TFP scheme in connection with your tax return, accountancy & audit services as it will protect them against additional costs incurred in the event of an enquiry; indeed the ICAEW recommend that member firms make clients aware of this product for that reason and put simply, your client is likely to be annoyed if they are subject to enquiry and have not been made aware of TFP.
- 2. Show that the processing is necessary to achieve it** - you need to process your clients' data in order to make them aware of TFP, there is no alternative.
- 3. Balance it against the individual's interests, rights and freedoms** - processing is limited to making your client aware of TFP, is unobtrusive, the processing is likely to be expected by your client and will not cause harm.

**Action!** - Your BDM will talk you through how to comply with the above at your scheme renewal. You only need to take action now if you intend to use our mailing services in order to administer your scheme renewal. In which case you should update and circulate your Privacy Policy and / or Terms of Engagement to confirm that data will be passed to Vantage in order to administer your TFP scheme. We can provide you with a template Privacy Policy and you should be looking to review or implement a Privacy Policy in any case, in order to become GDPR ready.

**If you have any question on the above do not hesitate to contact your BDM or contact us on 0116 274 9123.**