

McCormicks Briefing

Spring 2024



On the move!
Company registration update
Employment obligation



McCormicks
SOLICITORS



Three more wins

Three more Awards have been made to McCormicks since the last edition of the Briefing.

The practice was named **Sports and Media Legal Services Company 2024** in the SME UK Legal Awards 2024 and **Best Lawyer of the Year 2024 – Harrogate** in the Lawyer International Legal 100 2024 Awards.

In addition, M&A Today named the practice **Best Lawyer of the Year - 2024 - Harrogate, UK.**

On the move!

McCormicks Solicitors is relocating to a new home after 33 years at our current Harrogate base.

The growth of the practice and our resulting increased numbers have meant that our offices at East Parade no longer have sufficient capacity for our

needs so we are delighted to reveal that we are moving to Scottsdale House in Springfield Avenue, Harrogate, (adjoining the Convention Centre complex in the centre of the town), in the next few weeks.

Practice Manager Sonia Jones has worked hard with the Partners to

ensure the move is as seamless as possible so we hope you will not even notice the change, apart from the new address!

We do hope, however, to welcome many of you in the next few months to come and enjoy our new facilities, which include increased meeting space.



Partner Peter Minnikin has been appointed a Deputy District Judge.

Partner appointed Judge

Congratulations to Partner Peter Minnikin who has been appointed as a Deputy District Judge (Magistrates' Courts).

Peter, who heads our Crime and Fraud team, has been appointed to sit in the Magistrates' Courts across England and Wales. This is a part-time role and, as always, Peter will be a hundred per cent

committed to fighting for his clients, in the way that has led to the Crime and Fraud team and workload growing rapidly under his leadership.

Workplace wellbeing

Our Head of Employment, Senior Associate Iain Jenkins, was one of the speakers when Harrogate Chamber of Commerce held a 'Wellbeing in the Workplace' seminar at its March meeting.

The event looked at the legal aspects of employee wellbeing, learning what HR best practice looked like and hearing about wellbeing in practice at one of Harrogate's best-known businesses. Iain was joined

as a speaker by Sarah Darbyshire of HR Solutions Yorkshire and Claire Nixon, Wellbeing Manager at Bettys and Taylors of Harrogate. The session was well received with questions after each presentation.



Senior Associate Iain Jenkins

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Off to a flying start



Peter McCormick OBE

It is fair to say we have had a lively start to the year.

The growth of our practice and team has meant that our premises at East Parade in Harrogate no longer offer the space or flexibility we need to continue to grow so we have taken the decision to move after 33 years at numbers 35 and 37.

Leaving business premises after so many years is always a logistical headache but we believe our new premises at Scottsdale House in Springfield Avenue, Harrogate (adjoining the Convention Centre complex in the centre of the town), will enable us to both improve our services to you, our clients and friends, and improve life for our hard-working team.

We look forward to welcoming you there soon!

We are also delighted to see that our friends and clients at Leeds United have had an equally lively start to 2024. A run of excellent results means that, as I write, we are in the automatic promotion zone. Obviously there is still a long way to go but it is fantastic to have such positive news to share at this point. Harrogate Town remain mid table but we have high hopes for them as always.

This is also a significant year for the Yorkshire Young Achievers Foundation and we are already planning some special additions to this year's Awards Dinner which marks the 30th anniversary. It takes place on Thursday 14 November and, as always, you can book your tickets at www.yorkshireyoungachievers.co.uk.

In the meantime we are very keen to hear about potential winners and details of how to nominate are on the website as above.

Peter McCormick OBE



Planning obligations

Anyone planning a development, whether a single house or a bigger project, needs to be aware that planning obligations, designed to regulate the build within local authority planning policy, may become an issue.

Katy Maskell-Edwards, a Senior Associate in our Residential Property Department, has recently been acting on behalf of a client by completing a section 106 agreement with relation to a self-build.

Section 106 agreements are legally binding and enforceable agreements, usually between the person with an interest in the land and the local planning authority and can cover a range of measures designed to make a planning application acceptable, such as infrastructure or affordable housing.



In the case of self-builds the local authority may place a restriction that the person with primary input reside in the property as the main residence for a period of three years following practical completion. Developers then have to comply with any conditions attached to their planning permission.

Katy, who has a wealth of experience in property, working on behalf of both individuals and companies, said: "Section 106 agreements are very common and something that local authorities are well practiced in negotiating but the same is not always true for developers,

particularly if they are private individuals rather than businesses. I would, therefore, urge anyone who finds that being granted planning permission is dependent on such an agreement to seek legal advice at an early stage. "In some instances, a section 106 agreement can be a

unilateral undertaking entered into by a person with an interest in the land without the local planning authority if it appears that would be beneficial in gaining planning approval but, again, legal advice should be taken."

The UK Government has recently introduced the Economic Crime and Corporate Transparency Act.

Company registration changes

This act, to be implemented in phases, brings about a series of changes to Companies House regulations, the official register of companies in the UK with the stated aim of enhancing transparency and combatting economic crime.

Here, David Leuchars of our Corporate and Commercial department, focuses on the first set of changes that have taken effect as of 4 March, exploring the implications for directors, people with significant control (PSCs), and companies themselves.

The changes that have taken effect so far under the new Act are:

- Greater powers of the registrar to query information provided;
- A requirement for all companies to confirm the company is formed for a lawful purpose;
- New rules regarding a company's registered office; and
- A requirement to provide Companies House with an email address.

1) Enhanced Scrutiny and Verification

One of the most crucial changes involves increased scrutiny by Companies House. The act gives the registrar greater authority to verify information submitted by companies. This includes the ability to request supporting evidence for details provided and conduct more rigorous checks on company names. Companies can expect a more proactive approach from Companies House, ensuring that information on the register is accurate and reflects legitimate business activities.

2) The Lawful Purpose Statement

A new requirement introduced by the act is the "statement of lawful purpose". Companies incorporating on or after 4 March 2024, must now confirm that their purpose is lawful, and that their intended future activities are lawful. Existing companies will need to make a lawful purpose statement when they file their next confirmation statement, from 5 March 2024 onwards. Documents submitted to Companies House will not be accepted if these statements have not been confirmed.

3) Registered Office and Email Address

The act introduces stricter guidelines for registered office addresses. Companies must now have a physical, "appropriate" address where official documents can be delivered and acknowledged. PO boxes are no longer permissible, however a third-party agent's address can still be used. The address will only be considered appropriate when any documents sent to it can be expected to come to the attention of someone acting on behalf of the company, and the delivery can be recorded by an acknowledgment.

Additionally, all companies must provide a registered email address to Companies House. This email address, while not publicly available, provides a reliable communication channel for the registrar. An email address can be used for multiple companies and can be updated through the Companies House online service when required.

Further Changes and Considerations

These recent changes represent the first wave of reforms introduced by the Economic Crime and Corporate Transparency Act. Future alterations may include modifications to company accounts filing requirements, enhanced investigation and enforcement powers for Companies House, identify verification requirements for new and existing directors, PSCs, and anyone filing on a company's behalf, and a greater focus on limited partnerships. These changes are planned to occur later in 2024, but Companies House have not yet confirmed when exactly this will be.

Implications and Considerations for Businesses

Companies operating in the UK must adapt their practices to comply with the new regulations. Here are some steps companies can take now:

- **Lawful Purpose Statement:** Develop a clear and concise statement outlining the company's lawful purpose and their intended future activities.
- **Registered Office Address:** Ensure the registered office address is a physical location where official documents can be received and acknowledged.
- **Registered Email Address:** Designate a dedicated email address for communication with Companies House.
- **Future Verification Procedures:** establish procedures to verify the identities of directors, PSCs, and anyone filing on their behalf, ready for these further changes when they are implemented.

The recent changes to regulations represent a significant step in company compliance. Companies should ensure that their directors are aware of the changes that have been made, and also the further changes planned by Companies House.

There are also a significant number of changes made to many of the standard forms on Companies House, and the fee for making online submissions will in many cases be increased, as of 1 May 2024. For example, the cost of incorporating a company will increase from £27 to £65. Please contact us to discuss these changes in more detail and how they may impact you, or visit the Companies House dedicated website for a full list of updated forms and amended costs.



David Leuchars is a Solicitor in our Corporate and Commercial Department.

He assists the Head of department, James Towler, in acting for individuals and companies on corporate transactions for the sale or purchase of businesses or shares; reviewing and advising on company and business structure including drafting partnership and shareholders' agreements and articles of association; assisting with incorporations, re-structuring and general company administration; negotiating and reviewing a wide range of commercial contracts, including agency and sub-contractor agreements; and updating terms and conditions and privacy policies.

David spends a considerable amount of his time working on Sports matters, since many of the Department's clients operate in that sector.

A new obligation on employers to prevent sexual harassment comes into force this year.

New employment obligation

Our Head of Employment, Iain Jenkins, looks at the implications.

A new law on the prevention of sexual harassment will come into force in October this year. The Worker Protection (Amendment of Equality Act) Act makes changes to the law on an employer's obligations to protect employees from sexual harassment.

It is important that employers are aware of this new legislation and take all necessary steps to comply to help avoid potentially expensive and damaging litigation. There will now be a positive requirement for employers to take reasonable steps to prevent sexual harassment of employees in the course of their employment.

Sexual harassment has the same definition as in the existing Equality Act being unwanted conduct of a "sexual nature". There is a defence for employers that they can show they

have taken reasonable steps to prevent sexual harassment from happening, however it is important to emphasise that there will be a legal obligation on all employers to take proactive measures to prevent sexual harassment. Interestingly the duty does not apply to harassment based on the other protected characteristics in the Equality Act, nor does it apply to harassment which is related to sex but is not conduct of a sexual nature. There is also no requirement to prevent harassment of employees by third parties such as customers of the employer.

We are awaiting guidance from the EHRC in respect of this new legislation but it is clear that employers should not regard compliance as a tick-box exercise, a simple policy and email to



employees saying that the policy exists will not be sufficient. Employers will be expected to show:

- allegations are noted and recorded;
- there has been training in addition to the implementation of policies;
- training is revisited and updated, including training for those who witness sexual harassment;
- policies are updated;
- there are appropriate mechanisms for disclosing sexual harassment;
- risk assessments are conducted; and

- consideration is given to working environments and practices.

You should look at these steps and your preparations now so that knowledge and understanding are well-embedded in your workplace before the new legislation comes in to effect.

There appear to be some industries and areas of life where this issue remains more prevalent and corrosive.

High profile cases receive regular media attention. Individuals suffer lasting harm and mental distress.

Quite apart for the damage to the victim and reputational damage, the financial cost of a successful claim against an employer could be significant. An employment tribunal will be able to uplift compensation by 25 per cent (including for other areas of harassment if such claims are brought) if an employee succeeds in a claim for sexual harassment and the employer is in breach of its duty to take reasonable steps to avoid the sexual harassment.



Iain Jenkins is the Head of Employment at McCormicks and has received recommendations in the leading independent Guides to the profession, the Legal 500 and Chambers UK.

Iain advises on all areas of contentious and non-contentious employment matters including:

- Settlement agreements and negotiated exits
- Directors and boardroom disputes
- Claims for unfair/wrongful dismissal, discrimination and whistleblowing in the Employment Tribunal
- Drafting and negotiating contracts of employment and service agreements

- Advising on grievance and disciplinary matters and the termination of employment
- TUPE advice and advising on employment aspects of corporate and property transactions
- Advising on the implementation and enforcement of restrictive covenants and confidentiality obligations
- Trade union issues, redundancy and restructuring
- Partnership matters and disputes

Iain has advised businesses across a range of sectors including tech, manufacturing, financial services, recruitment, transport and logistics and health and social care.

Iain is a CEDR accredited mediator and an accredited workplace mediator. He can also be instructed as an independent investigator in relation to employment issues. He also advises on GDPR and Data Protection matters in employment and commercial work, including compliance and data breaches.

Out of hours

Regan Seminaro is a Litigation Executive in our Commercial Litigation department. She assists with all aspects of litigation work undertaken at McCormicks. She previously worked with clients in the litigation sector in San Antonio, Texas, before moving to England in 2022. Out of the office, you will find her either running or reading!

Other than the law, what would your dream career be?

Without a doubt, my dream career would be a librarian. Ever since I was a child, I loved getting lost in a world of words and faraway places. In Texas, I volunteered for non-profit organisations that provided books to underprivileged children and school districts. I initiated or took part in book clubs at my previous law firms, in order to read books outside the usual genre and to share a love for reading. I enjoy working and studying in law because, at its essence, it is reading and analysing text.

Overall, I would love to share my love for reading in a setting surrounded by thousands of books and eager readers.

If you could win any sporting trophy or title, what would it be and why?

I would love to run a four-minute mile. It has been on my dream board since I started running in high school and somebody once told me that no woman, as

of yet, has been able to run the four-minute mile. However, the first (recorded) four-minute mile was run in 1954 by Roger Bannister and since then, thousands of men have been able to also run a four-minute mile. I still have a long way to go, but I still believe that, even if not me, it won't be long before a woman also breaks through the record.

Where is your favourite place in Yorkshire and why?

When I moved to England, the first place on my go-to list was Haworth, a village in West Yorkshire. Haworth is the birthplace of the Brontë sisters (Wuthering Heights by Emily Brontë is one of my favourite books) and it is a charming town full of bookstores and unique shops. Not only that, but since it is nestled on the top of a hill, you are granted beautiful views of the surrounding moors.

I have since been several times, and each time, I am filled with awe at the amount of beauty and history nestled in the small village.

If you could choose your last meal in advance, what would it be?

This is probably the hardest question, because I love food. When I travel, it is for the libraries, bookstores, and the different types of food I discover. However, if I had to choose a last meal, it would originate a little closer to home. I would choose a big bowl of crispy fries covered with melted Velveeta cheese, and because it is my last meal, a whole pecan pie. As a vegetarian living in Texas, going out to eat was always a struggle because I would have to find something that didn't include meat (or bacon chopped up and mixed in with everything), but I discovered my love of cheese fries because everywhere had it, and everywhere seemed to do it a little bit different. It was my main meal, my favourite meal, and only fitting as my last meal.

What is the best piece of advice you have ever been given?

As an avid runner, I have always wanted to finish a marathon in record time. During my first marathon in San Antonio, Texas, I had hit the dreaded "runner's wall" at mile 17 and I was struggling with putting one foot in front of the other. At that moment, an 80-year-old man stopped his run to talk and encourage me to keep going. He told me that he had run the Boston marathon five times. He said it took him years in



Just a bit of a bookworm!

order to qualify and he encouraged me to never give up. Despite his age, he still put on his running shoes and pushed himself to his limits.

Whenever I feel like stopping in my pursuit of my goals, I always remember his happiness as he smiled and started running, and his kind advice to "never give up".

If you suddenly came into a significant amount of money, what would your first five purchases be?

I always told myself that if I won the lottery, I wouldn't want anyone to know. But without a doubt, my first five purchases would be as follows:

1. A new house for my grandma with a large kitchen to support her love for cooking (she makes the best no-bake chocolate peanut butter cookies).
2. Plane tickets for my family from Texas to England, so I can properly show them and have them experience everything I have been telling them about in England that doesn't exist in Texas (i.e., afternoon tea, sticky toffee pudding, and historic castles).
3. A library hidden behind a bookcase, complete with a roaring fireplace and a rolling ladder.
4. A large monetary donation to my

favourite non-profit organisation, Give More HUGS, which helps underprivileged students develop a lifelong love for learning, reading, and creativity.

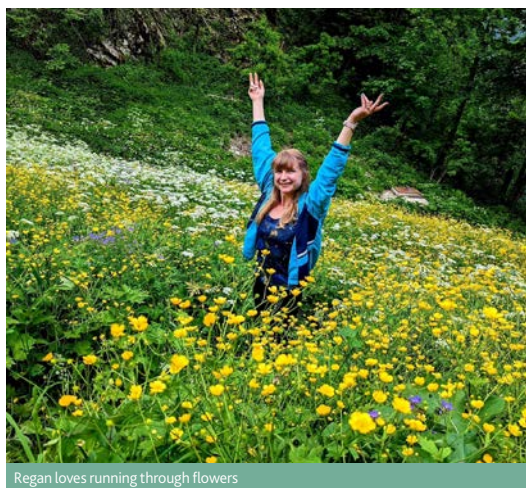
5. An art studio for my sister, so she can dedicate her time to her passion (and her art degree) of painting and creating pieces of art.

What do you do to wind down after a busy day in the office?

I am currently training for the Rob Burrow Leeds Marathon, so I always try to go for a run after I get out of the office. But, if I truly want to wind down, nothing beats a cup of tea and a book that makes you lose track of time. Often, I find myself getting lost in a book, only to look up and realise my tea has gone cold and it is 2am and I should get to bed to be ready for the next day. However, if I could squeeze in one more chapter, what could be the harm?

What is your favourite season of the year and why?

Spring is my favourite season of the year because the landscape always seems to come back alive. The flowers bloom, the butterflies soar, and the trees flourish. Nothing beats running through a field of freshly bloomed flowers and hearing the birds singing in the breeze.



Regan loves running through flowers

OUR EXPERTISE



McCormicks offers the full portfolio of legal services to all forms of organisation including businesses, charities and sporting bodies, together with private individuals. The firm offers expertise in all areas of corporate and commercial work whilst maintaining a commitment to the personal client in areas such as rural property, tax, Trusts, probate, family matters and crime.

■ Charities & Community

- Charities
- Not For Profit

■ Corporate & Commercial

- Acquisitions and Disposals
- Banking and Finance
- Commercial Agreements
- Competition and EU Law
- Corporate Crime, Fraud and Risk
- IT and Data Protection
- Insolvency and Bankruptcy
- Intellectual Property
- Partnership and Company Law
- Regulatory and Disciplinary

■ Crime

- General Crime
- Corporate Crime, Fraud and Risk
- Dispute Resolution and Litigation
- Commercial Disputes
- Mediation and Arbitration
- Partner/Shareholder Disputes
- Property and Construction
- Reputation Management

■ Employment Family & Matrimonial

- Children
- Matrimonial

■ Insolvency & Bankruptcy

■ Mediation & Arbitration

■ Property

- Agriculture and Estates
- Commercial Property
- Development and Regeneration
- Residential Property

■ Sport, Media & Entertainment

- Employment
- IT and Data Protection
- Insolvency and Bankruptcy
- Intellectual Property
- Media and Entertainment
- Mediation and Arbitration
- Regulatory and Disciplinary
- Reputation Management
- Sponsorship
- Sport

■ Tax, Trusts, Wills & Estates

- Agriculture & Estates
- Care of the Elderly
- Tax and Trusts Disputes
- Trust and Tax Planning
- Wills and Probate

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