

## An update on the Data (Use and Access) Act

20 June 2025

Parliament has now passed the Data (Use and Access) Act.

The Act (full text <u>available here</u>) reforms existing UK data protection legislation, and marks a shift in the UK's data strategy. It is intended to drive economic growth via, for example, provisions on smart data and digital verification services, and is expected to add a total of £10bn to the economy over the next ten years. Data is also a core objection of the Government's recently published <u>Industrial Strategy</u>, where data sharing is widely seen to provide economic benefit.

When it comes to the new Act, of particular relevance to advertisers are the fact that the law clarifies that processing personal data for direct marketing may constitute a legitimate interest (subject to a balancing test), while maintaining the requirement for explicit consent for third party tracking cookies.

It also introduces additional safeguards for the processing of children's data, and expands the scope for using automated decision making (ADM).

Ever since the UK left the European Union, we have been concerned to advocate for London to align with Brussels on data policy so that the EU-UK data adequacy agreement can be maintained. This allow personal data to flow freely between the two jurisdictions without additional safeguards. The adequacy decision is due to expire in December this year and is up for review; the Data Act will no doubt form part of the European Commission's assessment. There have been <a href="mailto:calls from some">calls from some</a> privacy organisations for the EU to revoke the decision, citing concerns that the Act weakens protecting against ADM and increases law enforcement access to personal data.

We will be keeping a close eye on this debate and on developments in this sphere as the Act comes into force, which will happen at various points over the next 12 months. If you have any questions, as ever, please do just <u>let us know</u>.