

Compliance & Risk

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- UK Bill of Rights sends the wrong signal, p.17
- SEC expected to fine big banks more than \$1 billion over WhatsApp use, p.18
- No diplomatic immunity for modern slavery actions, p.19

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Supreme Court clarifies holiday pay for seasonal and zero hours workers

In July 2022, the UK Supreme Court upheld a Court of Appeal decision that ruled that paid holiday entitlement for workers who only work for part of the year should not be pro-rated to reflect the fact that the employee does not work for the whole year.

All workers in the UK are entitled to 5.6 weeks' paid holiday each year under the Working Time Regulations 1998 (WTR), with a 'week's pay' defined by The Employment Rights Act 1996 as a worker's average weekly remuneration in the period of 52 weeks. This is

straightforward to calculate in the case of full-time workers who work five days a week for a fixed salary, but is clearly more complicated in the case of part-time workers and those with no normal working hours.

To date, to simplify matters, many employers have calculated holiday entitlement for workers with no normal working hours using the assumption that the worker accrues holiday entitlement at the rate of 12.07% of hours worked. This rate comes from the fact that the standard working year is 46.4

weeks (52 weeks less the statutory 5.6 weeks holiday entitlement) and 5.6 weeks is 12.07% of 46.4 weeks.

In the case of *Harper Trust v Brazel [2022] UKSC 21*, however, the Supreme Court has confirmed that workers who only work for part of the year, but on permanent contracts, are effectively entitled to the same holiday allowance as workers who work all year, so the normal 5.6 weeks' holiday per year.

The Supreme Court went

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Gambling regulator issues record £17m fine for money-laundering failures

The Gambling Commission, the UK's gambling regulator, has hit Entain, the owner of Ladbrokes and Coral, with a £17m fine, the largest penalty it has ever issued.

The fine, targeted at Entain's online and retail operations, relates to social responsibility and anti-money laundering failures under rules governing gaming businesses. A £14m penalty was imposed for a failure to

meet licensing standards at LC International, which runs Entain's 13 gaming websites, while Ladbrokes Betting & Gaming, which operates gambling shops across the UK, received a £3m fine.

The investigation into Entain focused on the period between December 2019 and October 2020. The social responsibility breaches uncovered included failing to

intervene sufficiently in the case of customers at risk of gambling-related harms, and allowing customers subject to account restrictions to open accounts with other licensees.

Entain was also accused of failing to conduct proper risk assessments of the possibility of its businesses being used for money laundering or

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