

Compliance & Risk

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Headlines

- Former Twitter staff sue for 'sham redundancy', p.16
- Commission says half of green claims are misleading, p.17
- Prohibited hairstyles may be discriminatory, p.19

Contents

What rights do trans people have at work? 2

FCA outlines plans to introduce a regulatory gateway for firms which approve financial promotions 6

The circle of failure: 5 reasons the cybersecurity industry has failed 10

News & Views 15

DPC announces conclusion of two inquiries into Meta Ireland

On 4 January 2023, the Irish Data Protection Commission (DPC) announced the conclusion of two investigations into the data processing operations of Meta Platforms Ireland Limited (Meta Ireland), the parent company of Facebook and Instagram.

The probes concerned two complaints made on 25 May 2018 about the Facebook and Instagram services, which raised concerns that Meta Ireland was in breach of the General Data Protection Regulation (GDPR) which came into effect on that date.

In order to access the Instagram and Facebook services, users were obliged to accept updated conditions of service which included processing of their personal data for behavioural advertising and other personalised services.

Meta Ireland claimed that, as the users were entering into a contract by accepting the terms, the company could rely on the "contract" legal basis for processing data under the GDPR. The complainants, from two different EU member states, both argued that Meta Ireland was effectively forcing

them to consent to the processing in breach of the GDPR.

Following comprehensive investigations, the DPC initially found Meta Ireland to be in breach of its obligations in relation to transparency, as information in relation to the legal basis relied on by Meta Ireland was not clearly outlined to users. The DPC proposed very substantial fines and directed the company to bring its processing operations into compliance within a defined and short period of time.

[\(Continued on page 15\)](#)

City regulators fine TSB £48m for 'serious failings' in IT meltdown

UK bank TSB has been fined £48m after a five-year investigation by the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) into the IT meltdown in 2018 that left millions of banking customers locked out of their accounts for weeks.

The penalty brings the total cost to TSB of the outage to more than £400m, the bank having

already paid out £366m, including £32.7m for customer redress, in addition to the cost of rebuilding its IT systems and financing an independent report into its internal failings.

The City regulators cited "widespread and serious" failings, and considered that TSB had failed to properly "organise and control" the IT migration programme, which it executed as part of its

separation from its former parent company, Lloyds Banking Group. The regulators also said that the bank had failed to manage risks linked to its outsourcing deals with third parties that were involved in the migration.

An independent investigation into the meltdown reported that the board was lacking in common sense, and that the

[\(Continued on page 15\)](#)