

Reducing Recruitment Risk

The Office for National Statistics recently reported that unemployment had risen by 600,000 since September 2008; and it continues to rise. With an influx of available candidates, employers still seeking to recruit might assume that it's a buyer's market.

However, with frequent legislative changes, the risks associated with recruiting have never been greater. In addition, candidates in an increasingly competitive market are using more aggressive tactics to secure jobs, emphasising the need for thorough screening and vetting procedures. But although the new legislation is essential, its stringent requirements can serve to exclude candidates who might previously have been considered; not least candidates applying for financial sector roles who now have to be credit checked.

Despite it being a criminal offence to obtain employment by deception, it is estimated that 65% of all CVs contain false information. (The Risk Advisory Group 2007)

Reducing recruitment risk is a complex business that requires meticulous and systematic attention to achieve full legal compliance. The risks of failing to meet these high standards can be costly and time consuming for your business. The pace of legislative change means that even employment experts can fail to meet exacting compliance regulations, as demonstrated by the following example:

The Attorney General, Baroness Scotland, was recently fined £5,000 for employing a housekeeper who was not eligible to work in the UK. This is despite the Baroness being personally involved in drafting and implementing the related legislation, as a Government law officer.

As this case highlights, the need for all employers to undertake thorough eligibility checks on each potential employee's identity and documentation is crucial. Ensuring you have experts on hand to implement and review rigorous checking procedures is a key way of mitigating the ever-present risk to your business.

Keeping on top of legislation to mitigate risk

In order to ensure organisations remain fully compliant with recruitment legislation, companies are increasingly seeking expert advice, or investing in internal expertise. Having invested in an internal expert, further time and resource are required to implement and monitor the legislative environment.

Did you know that ... Since February 2008 the Immigration, Asylum and Nationality Act (2006) has made employers liable for a civil penalty or criminal conviction if they employ a person aged 16 or over who is subject to immigration control, but is not eligible to work.

Did you know that ... Within recent months legislative changes have included an increase in the National Minimum Wage, the release of the latest consultation paper on the Agency Workers Directive and the introduction of the Independent Safeguarding Authority stating that recruiters must provide 'relevant information' about candidates in 'regulated activities' who may pose a risk to children or vulnerable adults.

The Government's Centre for the Protection of National Infrastructure (CPNI) recommends the following Pre-Employment Screening:*

- When advertising a job, specify your requirements for eligibility, identity and related documentation.
- Ensure verification forms are completed and returned with each candidate's application.
- Issue invitations to interview that require photographic and documentary evidence of identity.
- Verify photo and all documentation / details that have been provided during interview.
- Make your offer of employment subject to completion of any outstanding checks.

* A Good Practice Guide on Pre-Employment Screening – Annex A

What other recruitment risks do you need to be aware of?

As well as legislative compliance relating to illegal migrant working, good practice would also include:

- Recruitment advertising that demonstrates commitment to equal opportunities and diversity
- Taking care to ensure that nothing in the recruitment process could be construed as discrimination
- All candidate interviews being clearly documented
- Ensuring third party recruiters working on your behalf comply with relevant legislation
- Undertake criminal record checks when appropriate

What else can employers do to reduce risk when recruiting?

The recruitment process must be systematic, meticulous and comply with legislation such as the Working Time Regulations, Employment Rights Act (1996) and other discrimination laws relating to age, race, sex, disability and religion.

Best practice recruitment procedures should ensure that:

- The identity of the candidate is established
- Their right to work is confirmed and documented
- Copies of relevant qualifications or authorisations are obtained
- The candidate has the skills required for the job role
- The candidate is willing to work in the specified role

During the initial registration interview, the applicant should be asked to provide:

- Positive proof of ID e.g. a passport or marriage/birth certificate. All original documents must be seen and photocopied, then held on file
- Original qualification certificates and training records seen and photocopied

An interview should be followed by additional vetting and referencing procedures:

- All applicants should sign a declaration that the information they have given is true
- References for employee applications should be obtained and verified
- All applicants must declare any pending or unspent criminal convictions
- The legal entitlement of all applicants to work in the UK must be checked

Alternatively you could partner with a recruitment agency which will ensure that all pre-employment checks are conducted in accordance with the Employment Agencies Act (2003) and the Conduct of Employment Agencies and Employment Businesses Regulations.

How Brook Street can reduce risk for your business

With over 60 years' experience in advising clients about reducing recruitment risk, Brook Street are a leading authority on legislative requirements for UK business. We currently work closely with many organisations, from small to medium enterprises to government departments such as the Ministry of Justice. In keeping with our partnership approach, we have aligned our pre-employment screening to their requirements, continually achieving 100% compliance in client-led and internal audits.

If you'd like to know more about how we can mitigate your risk, please contact your local Brook Street branch and discuss your requirements with one of our recruitment experts. You can also access more information about recruitment industry practice and related legislative developments via the Employer Zone on our website at www.brookstreet.co.uk/employerzone

in
the
know

www.brookstreet.co.uk

BROOK STREET