



REC Professional Standards

Complaints Report 2009

Raising Industry Standards

Recruitment &
Employment
Confederation

Introduction

As the principal trade body for the recruitment and staffing industry in the UK, the REC is committed to the continuous development of best practice guidance with our Code of Practice and support services for members. We ensure that Corporate Members understand the value of, and comply with, industry regulation and high professional standards.

Our highly respected Professional Standards team help members to deliver a quality service to their clients and candidates in a variety of ways. This report highlights the work of the Professional Standards department over the past year in auditing and inspecting REC members and handling complaints from those using their services.

In a minority of cases our Professional Standards Committee (PSC) is required to adjudicate or consider alleged breaches of our Code of Practice and determine the appropriate sanctions for non-compliance. The REC and its' members owes thanks to those recruitment industry representatives and those from the CBI and TUC who volunteer their time to consider these cases and uphold the professional reputation of the industry.

Fola Tayo

Head of Professional Standards
Recruitment & Employment Confederation

Summary

Complaints

In 2009, the REC Complaints team received 920 complaints and queries about agency conduct. This represents an increase of 11% from 2008. In comparison with 2008 statistics, complaints against member agencies increased by 5%, while non-member complaints increased to 16%. For the first time, permanent candidates overtook temporary workers as the largest complainant group, whilst the most common complaint related to unprofessional conduct.

Inspections

By the end of 2009, 587 inspections had been conducted since they were introduced in May 2007. REC inspections have generally been well received by members, with any corrective work being completed quickly to achieve full compliance.

Last year, REC Assessment Officers inspected 208 member agencies. 99 agencies passed their inspections immediately, with the majority of the other agencies passing within three months (after making amendments to their working practices). The REC referred one member to the PSC in 2009 for failing to provide a full response to their inspection report.

REC Audited

In 2009, the REC undertook a review of REC Audited. REC Audited holders were invited to an event where outlining plans for the product and member feedback was gathered. The REC also embarked on a series of re-audits, recruiting a pool of regionally based freelance auditors to assist in this task. At the end of 2009, 118 members held REC Audited status.

Quality Mark

2009 saw the REC tender for and win the contract to continue to manage the Quality Mark scheme on behalf of the Department for Children, Schools and Families for the next three years. 2010 will see the scheme extended from auditing agencies providing supply teachers, to cover the Department's scheme for providing one-to-one tuition for children in Maths and English.

The contract with the Welsh Assembly Government was also extended for a further 18 months until January 2011.

Last year two agencies were referred to the Quality Mark Joint Disciplinary Panel after breaches to Quality Mark standards were found during their re-accreditation audits.

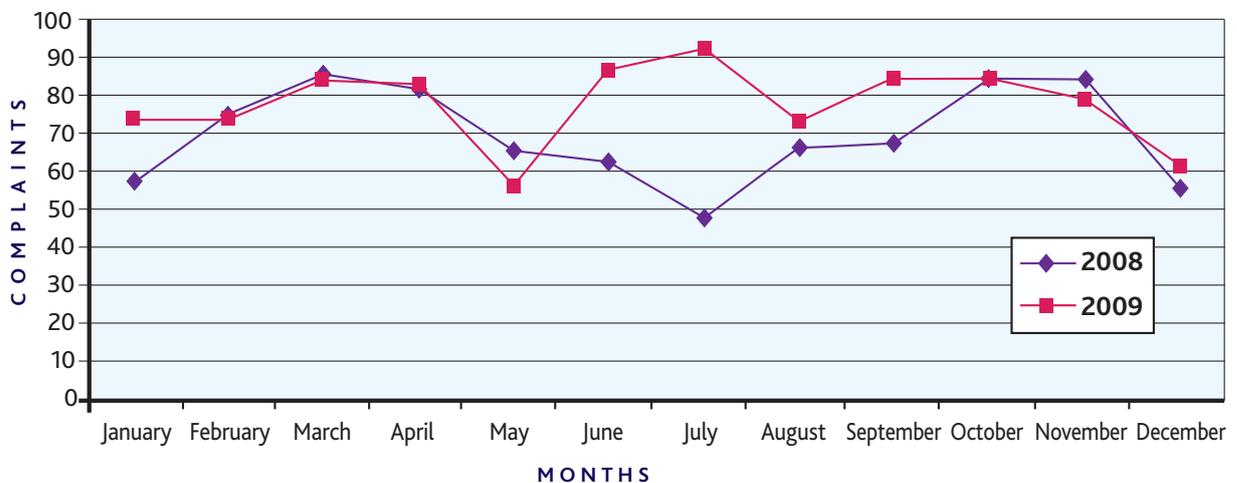
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1. Overview of complaints in 2009

Of the 920 complaints and queries handled in 2009, 40% were against members, a 5% increase from 2008. Complaints against non-members increased to 16%. There were 33% general enquiries about industry practice or the REC complaints process. Other enquiries focused on the misuse of the REC logo and industry scams. Another trend which emerged last year was the increase in the number of enquiries asking for advice and guidance knowing that the agency concerned was not a member of the REC. Whilst the REC endeavour to assist such enquiries, the majority were referred to the Employment Agency Standards Inspectorate of the Department for Business, Innovation and Skills, which has jurisdiction over the whole of the private recruitment industry in the UK.

Complaints by Month, 2008 v 2009



The REC Complaints team started 12 formal investigations in 2009.

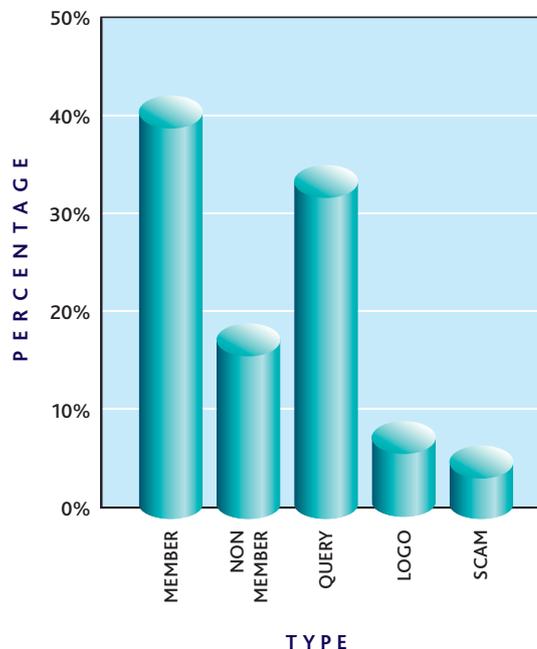
The PSC met in June, September and December and considered five disciplinary cases, two of which are ongoing. The PSC issued one reprimand, one inspection and one compliance order.

Of the other three closed cases two were by the same complainant regarding an agency and Master Vendor (please see the case study in section 6 for further details).

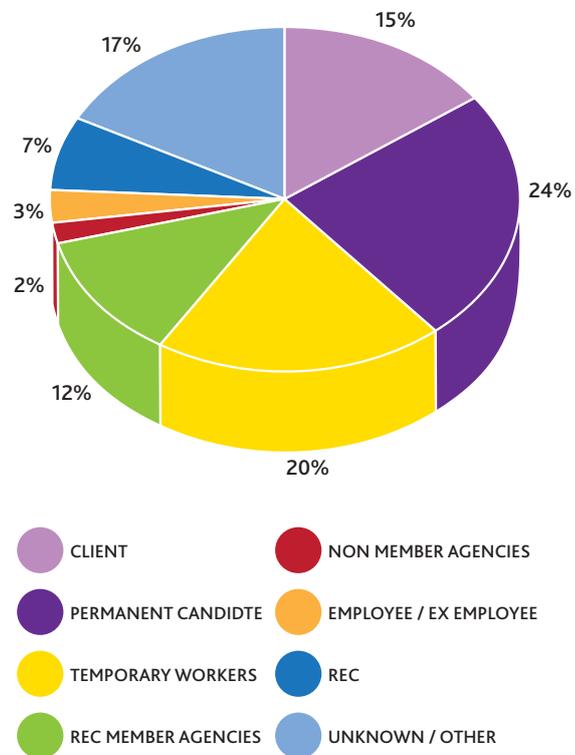
The third case concerned a worker and a healthcare agency. The temporary worker complained to the REC alleging unlawful deduction from wages, as well as other allegations. The REC investigation found two breaches of the Code of Professional Practice and the agency was required to put measures in place by a set date. However, when information was not forthcoming, the case was referred to the PSC due to the agency's lack of co-operation with the complaints process. The PSC reviewed the information and in addition to warning the agency about failure to respond to a complaints investigation issued a reprimand for the breaches confirmed. The agency was issued with a compliance order to provide the information required and an inspection of the agency was sanctioned. The PSC reviewed the inspection report and the additional work then undertaken by the agency and was satisfied that the agency was now working compliantly and to best practice in all parts of the business.

2. Complainant type

Enquiry type



Breakdown by Complainant



The number of complaints from temporary workers has decreased to 20%, following the trend of recent years. For the first time complaints from permanent candidates has overtaken those by temporary candidates at 24%. The recession could potentially be a cause of the increase, which resulted in recruitment freezes and redundancies. This resulted in a greater number of people searching for fewer vacancies, leading to a greater number of candidates frustrated by the recruitment process. Clients were the third highest group of complainants at 15%.

Nearly a quarter of complaints from permanent candidates related to unprofessional conduct. Customer care and false advertising were also major areas of complaint.

The main area of concern for temporary workers (47% of their complaints) involved payment, including holiday pay. This was followed by unprofessional conduct.

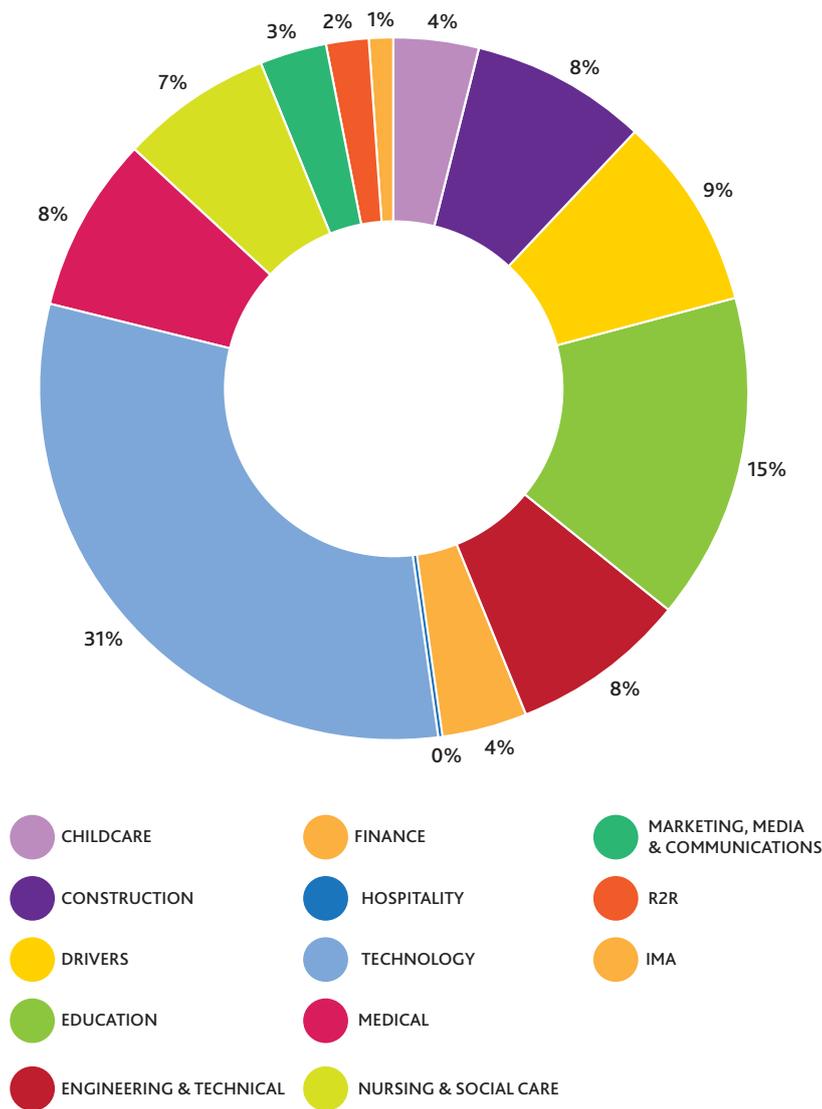
17% of complaints received were from those who wished to remain anonymous. The REC complaints procedure requires full disclosure, which means that the process involves the responses of the agency being seen by the complainant, and vice versa. This can result in complainants unwilling to provide the necessary permission for the REC to take forward a complaint, as they do not wish to be named. However it is difficult, if not impossible, to carry out any meaningful investigation if the agency cannot identify the complainant.

Written complaints that are delivered to the REC anonymously may, as appropriate, be forwarded to the relevant statutory body.

3. Sector breakdown

Of the 213 complaints where the sector could be identified, 63 were attributed to the Technology sector. The main issues were: unsolicited mail, contractual matters, unprofessional conduct and payment. The majority of the complaints made against this sector came from clients, followed by permanent candidates.

Breakdown by sector group



Sector breakdown (contd.)

Sector	No. of complaints	Types of complaints
Technology	63	<ul style="list-style-type: none"> • 15 unsolicited mail • 13 unprofessional conduct • 10 contractual • 8 payment • 7 false advertising • 6 discrimination • 2 confidentiality • 1 customer care • 1 failure to provide work
Education	33	<ul style="list-style-type: none"> • 15 unprofessional conduct • 5 CRB issue • 4 other • 2 contractual • 2 payment • 2 how to complain • 1 false advertising • 1 discrimination • 1 employee issues
Drivers	19	<ul style="list-style-type: none"> • 7 payment • 4 unprofessional conduct • 2 customer care • 2 contractual • 2 false advertising • 1 discrimination • 1 employee issues
Construction	18	<ul style="list-style-type: none"> • 5 payment • 5 unprofessional conduct • 2 how to complain • 2 false advertising • 1 discrimination • 1 employee issues • 1 contract • 1 other
Engineering & Technical	18	<ul style="list-style-type: none"> • 5 unprofessional conduct • 2 customer care • 2 payment • 2 contractual • 2 unsolicited mail • 2 other • 1 false advertising • 1 expenses • 1 logo issue

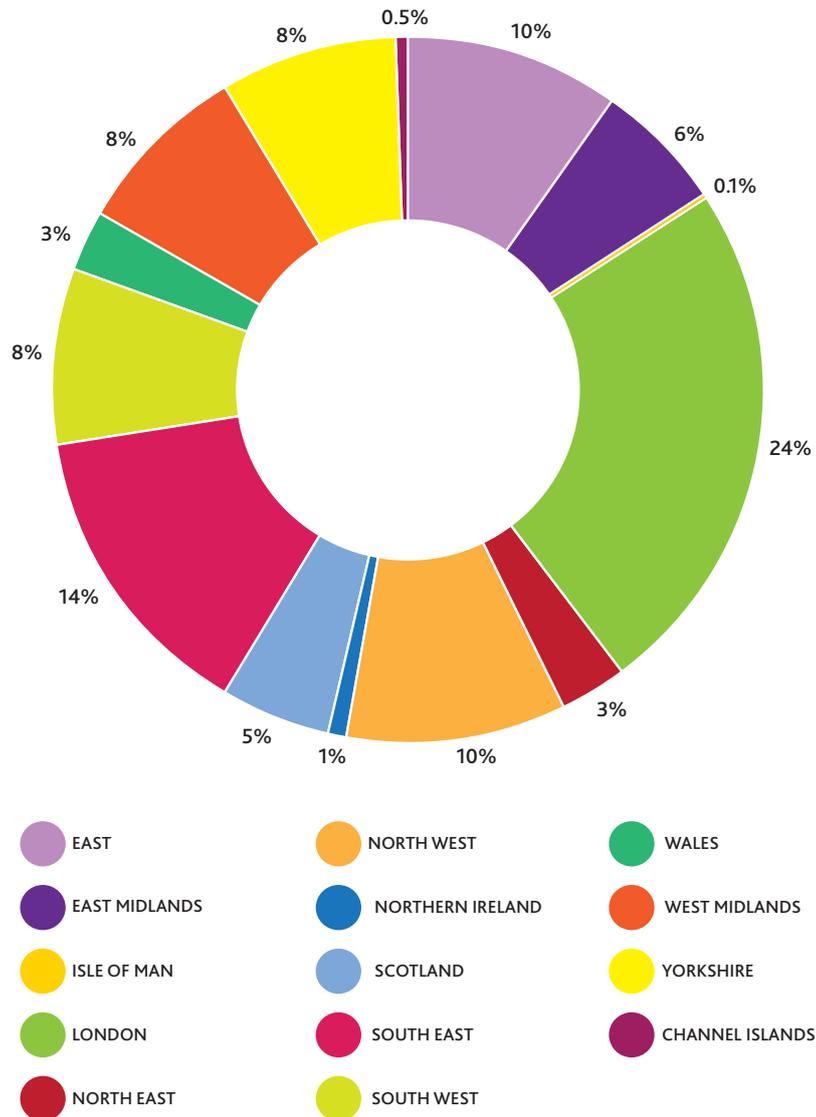
Sector breakdown (contd.)

Sector	No. of complaints	Types of complaints
Medical	17	<ul style="list-style-type: none"> • 6 payment • 3 confidentiality • 2 unprofessional conduct • 2 contract • 1 expenses • 1 CRB issue • 1 how to complain • 1 unsolicited mail
Nursing and Social Care	14	<ul style="list-style-type: none"> • 4 unprofessional conduct • 3 payment • 2 other • 1 customer care • 1 discrimination • 1 employee issues • 1 false advertising • 1 health and safety
Childcare	9	<ul style="list-style-type: none"> • 3 unprofessional conduct • 2 scams • 2 logo issues • 1 how to complain • 1 payment
Finance	9	<ul style="list-style-type: none"> • 2 unprofessional conduct • 2 confidentiality • 1 how to complain • 1 health and safety • 1 failure to provide work • 1 contractual • 1 other
Marketing, Media and Creative	6	<ul style="list-style-type: none"> • 2 customer care • 1 unprofessional conduct • 1 unsolicited mail • 1 payment • 1 discrimination
R2R	4	<ul style="list-style-type: none"> • 1 unprofessional conduct • 1 customer care • 1 confidentiality • 1 contractual.
Interim Management Association	2	<ul style="list-style-type: none"> • 1 payment • 1 confidentiality
Hospitality	1	<ul style="list-style-type: none"> • unprofessional conduct

4. Regional breakdown

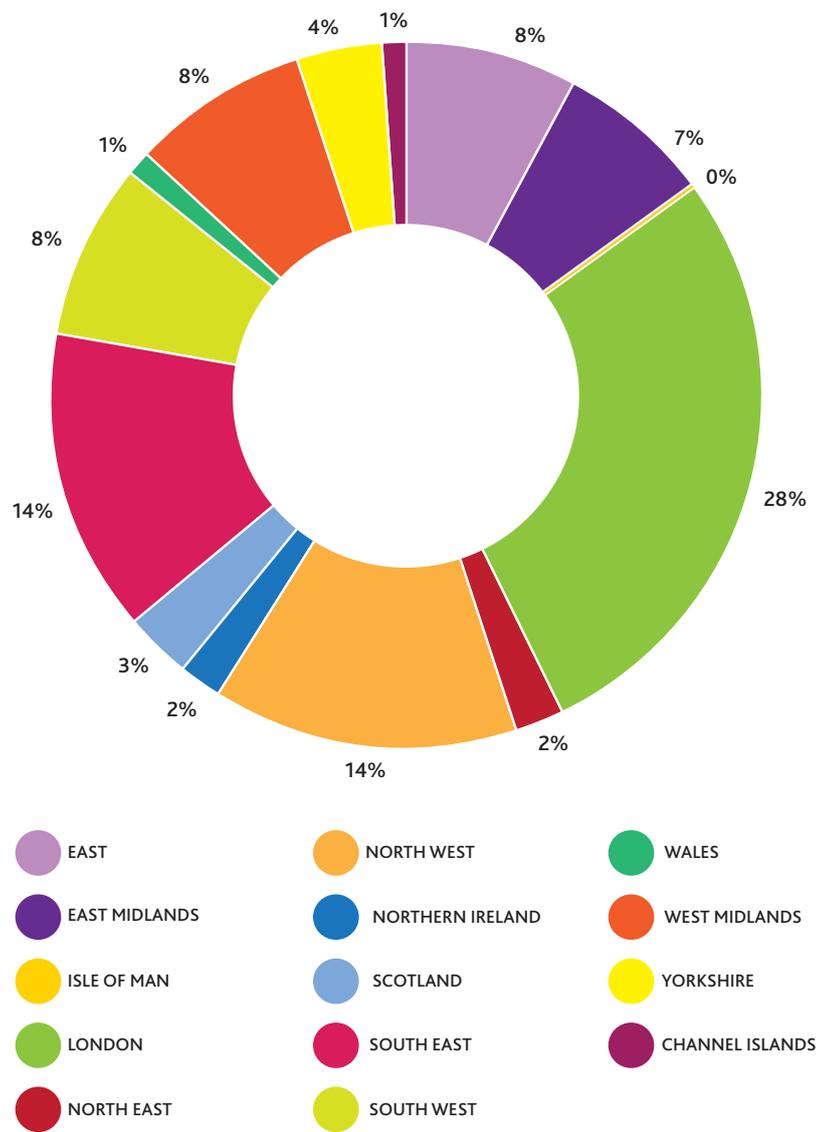
As with 2008, the London region received the highest number of complaints at 28%. This was followed by the North West and South East both with 14%, representing a 6% increase for the South East on 2008. These regions were followed by the East, South West and East and West Midlands respectively. There were no complaints received against agencies in the Isle of Man. All other regions were under 5%.

Regional breakdown of member agencies



Regional breakdown (contd.)

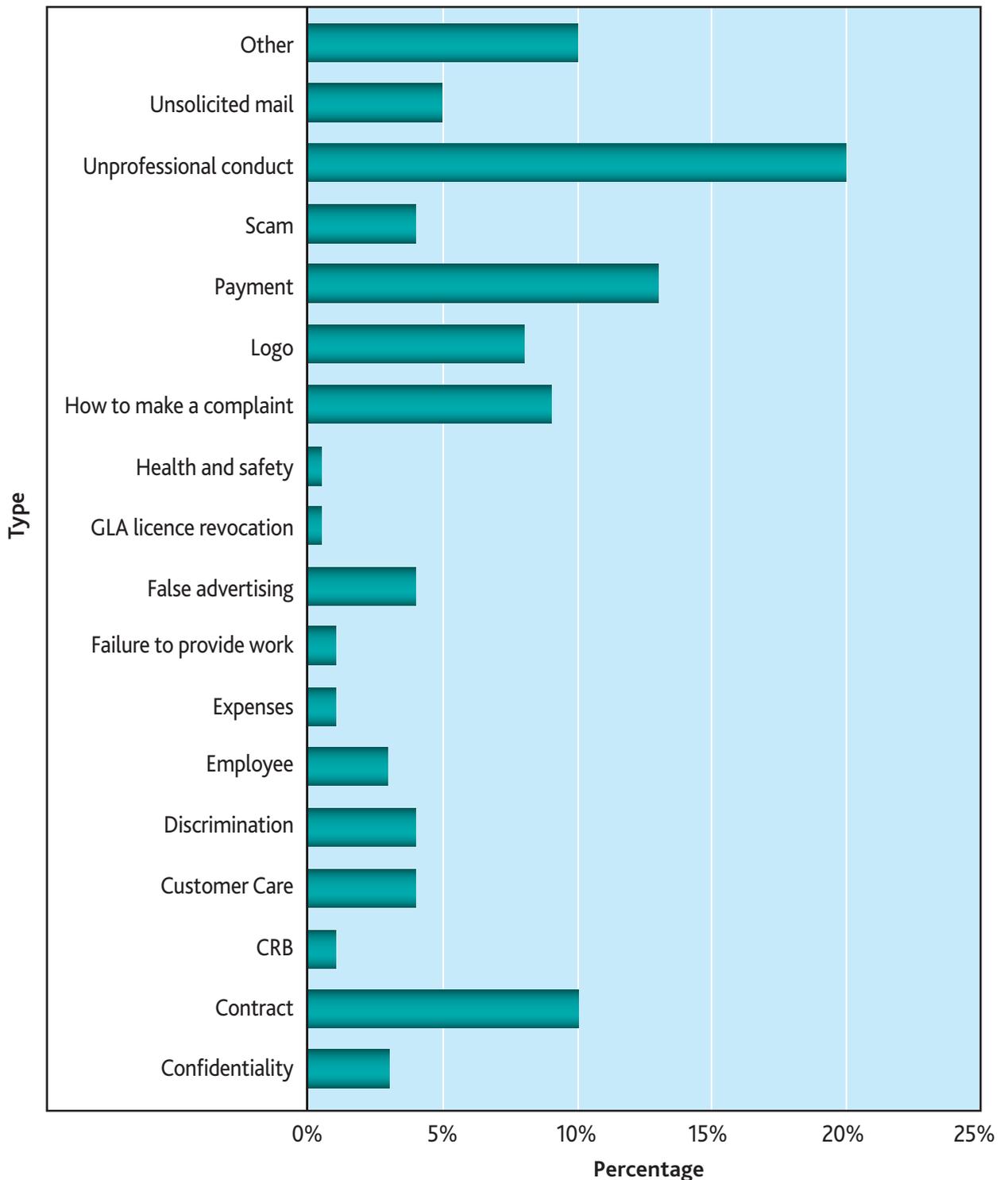
Regional breakdown of complaints



5. Common complaints

In 2009 the most common complaint related to unprofessional conduct. This was followed by payment and contractual issues. An example of the top three is given below with information as to how the REC and/or the agency concerned responded.

Breakdown of types of complaints



6.

Complaints case studies

Allegation of Unprofessional Conduct

Work seeker A had seen a role advertised directly by a company (hirer). At the same time work seeker A was contacted by his agency who advised it was also working on the role and wanted to put work seeker A's CV forward. Work seeker A agreed. The agency did not inform work seeker A that the hirer would only use agencies if the direct route failed. When work seeker A discovered this, he claimed he had been misled by the agency and had missed out on being considered for the role.

In line with the REC complaints procedure, work seeker A was advised that the first step was to complain directly to the agency. The agency responded to work seeker A and started an investigation. The agency found that the Consultant had not set out to mislead work seeker A, but had considered work seeker A would be better marketed by the agency, as he doubted that the CV alone would not secure work seeker A an interview. The agency investigation did find that the communication from the Consultant to work seeker A was lacking and that the Consultant's customer care had not been at the level they would expect and apologised to work seeker A.

Appropriate internal action was taken with the Consultant, including training and guidance.

The complainant was not entirely happy with the response of the agency and returned to the REC. After reviewing the complaint and the agency's response, the REC considered the agency had acted in accordance with correct recruitment practices, by reviewing the complaint, addressing the problem, followed by training and guidance to ensure that the situation did not occur again. The REC did not consider that any further action was required and advised the complainant of this.

Payment issues

Work seeker B complained to the REC about issues relating to his rate of pay and holiday pay, claiming the agency misled him about the length of time he would be in a temp position before being taken on permanently. Work seeker B had met with the agency to discuss his concerns but did not consider the agency had fully responded.

The REC wrote to the agency requesting further clarity on a number of points which work seeker B was still unclear about. For example, how had the holiday entitlement been calculated?

The agency took on board the comments from the REC and wrote a full response to work seeker B. Following this work seeker B was satisfied that all the issues raised had been addressed and the complaint was resolved.

Complaints case studies (contd.)

Contractual issues

A hirer contacted the REC to complain that, despite a number of requests, an agency had not provided him with a breakdown of the invoice for the services of a contractor.

The REC Complaints team advised the hirer of the agency's obligation to provide terms of business which should clarify any fees that may be payable. However, the REC was not in a position, nor does it have the authority, to advise the hirer whether or not they should pay the fee.

The REC was, however, able to inform the hirer that The Conduct of Employment Agencies and Employment Businesses Regulations 2003 (Conduct Regulations) regulated the conduct which was directly related to the matters raised. With the high probability that the hirer would be taking legal action, the REC declined to investigate any potential breaches of the REC Code of Professional Practice until any legal proceedings had concluded.

The Master Vendor relationship

This case shows the potential for miscommunication between Master Vendors and agencies, and how this could extend to impact on the relationships with their clients and work seekers.

Effective communication here is doubly important, as the agency will not normally have direct contact with the client, and vice versa.

Scenario

The Master Vendor provided a temporary technical vacancy via a job portal to the agency. The agency contacted and registered a work seeker who was then put forward for, interviewed and offered the role. However, the offer was withdrawn over issues with the work seeker's company status and because the agency was unable to procure full references. The work seeker then contacted the client direct. The client, unaware of the withdrawal, re-iterated the 'agency offer' in writing to the work seeker which was copied to the Master Vendor.

In discussions that followed between the Master Vendor and the agency, the agency became aware for the first time, that an enhanced CRB of less than one year was required. It transpired that the Master Vendor had initially released the vacancy only to social care agencies that, as standard practice, are required to obtain enhanced CRBs. However, when no suitable candidates were found, the Master Vendor cascaded the position to technical agencies. The position, though not directly placing the worker in contact with children, was based within the child services department. Though not a legal requirement, the client required the worker to have an enhanced CRB in place. The work seeker was then told that the position was withdrawn again, this time due to the fact that he did not have an enhanced CRB check already. The work seeker complained to the REC about the Master Vendor and the agency.

Complaints case studies (contd.)

REC action

The REC investigation found that, although there were no breaches of the REC Code of Practice on the part of the agency or the Master Vendor, the ineffective communication as well as the fact that the agency had not originally been made aware of the need for an enhanced CRB, led to the situation that ensued. The situation escalated when the work seeker contacted the client directly, even though they had been advised of the withdrawal of the offer.

The Master Vendor and the agency were requested to tighten their procedures. They were asked to provide details of the steps they would follow to clarify whether a CRB was required and how they would ensure effective communication between all the parties involved. Both agencies provided the information which was requested. The work seeker appealed the decision of the complaints officer, so the case was referred to the Professional Standards Committee. The PSC on review of all the evidence upheld the complaints officer's decision.

The investigation of this case was made increasingly challenging by the behaviour of the complainant during the complaints process, coupled with the fact that that even though the Master Vendor and the agency knew each was required to provide a response to the investigation, they wanted to keep their responses separate and confidential from each other as they were having separate talks about their relationship.

Guidance

When several parties are involved in a recruitment process, the importance of each party understanding their role within the process is essential. It is usual for a Master Vendor to have the only direct contact with the client, so timely and accurate passing of information is essential.

7.

Logo misuse

As members of the REC quite rightly value their right to display their REC logo, the REC often learn of instances of the misuse of the logo by non-member agencies. These may be brought to the REC's attention by other agencies, work seekers, clients or third parties.

Once the REC has established that the agency in question is not a member of the REC, the Managing Director is written to, with an invitation to apply for REC membership, otherwise the logo will need to be removed within the timescale given. The REC then reviews the agency's website to make sure the logo is removed. If the agency fails to remove the logo, Trading Standards are notified.

During 2009, the REC dealt with 63 cases involving the misuse of the REC logo, of which 41 have been resolved. In two cases the agencies involved refused to remove the logo so they were referred to Trading Standards. A further 18 cases are ongoing.

A number of the agencies were former REC members. Seven re-joined the REC following our correspondence regarding use of the logo.

8.

The Complaints team

The REC Complaints team provides guidance and advice to members, work seekers and employers on REC standards and complaints procedure.

Fola Tayo

Head of Professional Standards

Manages the Complaints team and advises on the REC Code of Professional Practice; advises the Professional Standards Committee.

Nicola Hope

Senior Professional Standards Advisor

Investigates complaints according to the REC's Complaints & Disciplinary Procedure and advises on compliance with the REC Code of Professional Practice.

Lizzie Grant

Professional Standards Advisor

Advises on compliance with REC standards; first point of contact for enquiries and complaints.

Contact us:

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Tel 020 7009 2186
Fax 020 7935 4112

Further information and guidance on the following areas can be found at:

www.rec.uk.com/standards

- REC Code of Professional Practice
- Guide to Complying with the REC Code
- How to respond to a complaint
- How to make a complaint
- Complaints FAQs
- Dispute over Fees

9. REC services

The REC is committed to supporting members in observing the highest principles of ethics, equity, professional conduct and fair practice. REC membership offers guidance, legal advice and training to help achieve these standards. Guidance Notes on the REC Code of Practice, model policies and several factsheets on complaints handling and complaints procedures are easily accessible online in the exclusive members-only area.

Legal Advice

legal@rec.uk.com

0845 3700 732

www.rec.uk.com/legal

REC Academy for Business

Training

Business Services

Qualifications

Start Up Services

Partner Services

020 7009 2188

<http://www.rec.uk.com/a4b>

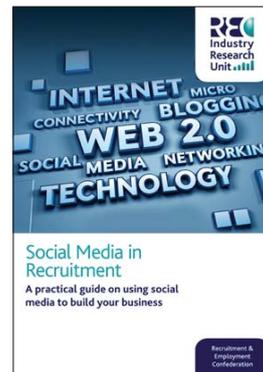
Further information on all other services provided by the REC can be found at www.rec.uk.com

Other reports available to buy from REC, include:

DEMOS Report



Social Media Report



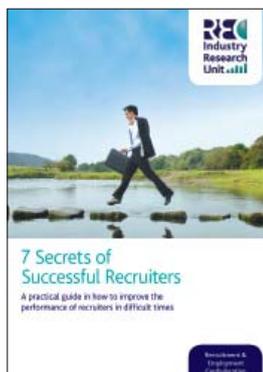
Technology 2020



Added Value Report



7 Secrets of Successful Recruiters



These are available from www.rec.uk.com/research



- ▶ **Recruitment's biggest lobbying voice**
- ▶ **The source of recruitment knowledge**
- ▶ **Raising recruitment standards**
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The Recruitment and Employment Confederation (REC) is the professional body dedicated to representing the interests of the recruitment industry in Parliament, Whitehall, the European Commission and to press and opinion formers.

The REC represents 3,760 Corporate Members, with more than 8,000 branches, and 6,500 individual members within the Institute of Recruitment Professionals.

The REC is committed to raising standards and highlighting excellence throughout the recruitment industry.

Call us today on 020 7009 2188
or email us at myaccountmanager@rec.uk.com

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