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Guidance for REC Audited Applicants



REC Audited
The gold standard for recruitment

**Recruitment &
Employment
Confederation**

Guidance for REC Audited Applicants



Before your on-site audit, you will need to review your documentation and procedures to check that they are in line with our standards and that you are able to demonstrate this with the appropriate evidence. The guidance below should help you to identify the key points from the REC's Code of Professional Practice (the REC Code), the Conduct of Employment Agencies and Employment Businesses Regulations 2003 (the Conduct Regulations), other relevant legislation, and what you can do to help the auditors verify that you are complying. (Please note that the auditor will focus their checks on the criteria that are specific to the type(s) of recruitment you carry out.)

Before your on-site audit, please make use of the REC's legal services to ensure that you are operating to the highest level of compliance. This will help to ensure that the audit process runs smoothly and that you have minimal follow-up work after the audit. The REC has a dedicated Legal Helpline providing advice and guidance to members, and the REC [Legal Guide](#) has a comprehensive range of model documents (both policies and contracts) that members can adopt, as well as much useful information on the requirements of running an agency.



Policy and certification requirements

It is necessary that all policy documentation and certification requirements are up to date, that staff are aware of the policies and they are able to apply these in practice.

Evidence required

- ✓ equality/diversity policy, which must cover all nine protected characteristics listed in the Equality Act;
- ✓ up-to-date registration with the [Information Commissioner's Office](#) (ICO);
- ✓ data protection policy, which must cover all eight principles of data protection as listed in the Data Protection Act;
- ✓ written complaints policy that sets out the stages a complainant can expect to go through when making a complaint – to comply with REC standards, this must cover: who to complain to; the timescales that an agency will work to; how to appeal a decision that is not satisfactory; an alternative process for dealing with a complaint in cases where a complainant does not wish to have a meeting with an agency; and a mechanism for dealing with any complaints informally in the first instance (that is, before resorting to a written procedure);
- ✓ if there have been any complaints against the agency, evidence that the complaints procedure has been operated effectively and the outcomes monitored;
- ✓ AWR – your policy for dealing with any written requests from an agency worker about any aspect of equal treatment that the agency worker believes they are not receiving, which should cover the timescale for your response and the information that must be included –see [REC AWR factsheet number 5](#).



Training and development of staff

We seek assurance that there is a structured and substantial induction and training programme for staff.

Evidence required

- ✓ written training and development policy;
- ✓ evidence of staff training records, notes of internal training/updating sessions, and details of how you make training (both internal and external) available to staff;
- ✓ induction processes for new staff to cover key agency policies and procedures, for example equality/diversity, data protection, compliance processes and recruitment industry information, for example induction checklist;
- ✓ processes for keeping staff up-to-date in relation to new legislation and developments in the recruitment industry;
- ✓ details of how you ensure that staff are aware of the REC Code of Professional Practice and how to implement it;
- ✓ evidence that key staff refer to REC legal bulletins, weekly e-communications, sector updates and other REC communications;
- ✓ if you have SLAs in place with clients, how you ensure that staff are trained in these and understand their obligations;
- ✓ written guidelines/operating processes to make clear to staff the standards you expect them to work to, for example staff handbook, or a policies file or operating manual;
- ✓ performance management/appraisal scheme for staff, for example standard forms.



Work-seeker checks

We seek assurance that agency staff understand, follow and document their obligations in relation to work-seeker check and services.

Evidence required

- ✓ evidence that permission is obtained from candidates to forward CVs and personal data to clients;
- ✓ the auditor will undertake a file sampling exercise to make sure you are carrying out appropriate suitability checks on work-seekers: ID, eligibility to work in the UK, qualifications, any authorisations required by law or the client, registration with professional bodies, references, and any additional checks, such as DBS/Update Service checks;
- ✓ if you are introducing/supplying work-seekers to work with children/vulnerable adults, you will need to show that you have additional procedures in place, such as offering to provide copies of references and qualifications to clients. You will also need to ensure that you comply with the REC's DBS/Update Service policy: when a work-seeker registers with you, they must be subscribed to the Update Service or you must take out a new DBS check. In addition, you must carry out an Update Service check at least every 12 months for all work-seekers (subject to any shorter period imposed by a client). If a work-seeker is not subscribed to the Update Service, you will need to carry out a new DBS check, that is, in place of an Update Service check;
- ✓ your policy regarding action that is taken if information regarding a work-seeker's unsuitability comes to light after a placement has started;
- ✓ evidence that you provide written assignment information to work-seekers in line with Regulation 21 of the Conduct Regulations: this must be provided to work-seekers in writing three business days after it has been provided verbally and must include the identity of the client, the nature of the client's business, start date, duration or expected duration of the assignment, type of work, location, the experience, training, qualifications and any authorisations the client requires the work-seeker to possess or that are required by law or a professional body, hours of work, health and safety information, any expenses

payable by or to the work-seeker and the actual rate of pay for the assignment (if this has not already been confirmed). For permanent candidates, all of the above information must be provided along with the minimum rate of pay, any other benefits, intervals of

payment and the length of notice that the candidate would be required to give and entitled to receive;

- ✔ example of a model payslip to show that holiday pay is correctly reported



Overseas recruitment

If you recruit work-seekers from outside the UK to come and work in the UK, or place work-seekers who are in the UK in roles overseas, the correct recruitment procedures must be adhered to.

Evidence required

- ✔ a copy of the agreement with any overseas agent;
- ✔ evidence that you apply the same processes to work-seekers who are recruited from overseas and/or recruited in the UK to work overseas;
- ✔ evidence that qualifications are checked with NARIC where necessary.



Contracts with work-seekers

We seek assurance that you agree contracts with work-seekers before you provide any work-finding services to them and that, where applicable, these comply with the Conduct Regulations and the Agency Workers Regulations.

Evidence required

- ✔ evidence that you agree contracts with work-seekers before any work-finding services are provided, as required by the Conduct Regulations;
- ✔ if applicable, written opt-out agreements with limited company contractors (LCCs);
- ✔ if applicable, evidence of your processes to make it clear to individual work-seekers that they will be employed and paid by an umbrella company and that appropriate contractual agreements are in place;
- ✔ copies of your agreement with permanent candidates, which must include a statement as to how you are acting, that the candidate authorises you to seek work on their behalf and the type of work you will seek to find for the work-seeker (while this is not a legal requirement, it is a requirement under the REC Code);
- ✔ AWR – if applicable, evidence that Swedish Derogation/Pay Between Assignments contracts comply with both the Conduct Regulations and the requirements of the Agency Workers Regulations;
- ✔ evidence that contracts with PAYE temporary work-seekers and LCCs who do not opt out of the Conduct Regulations comply with the Conduct Regulations, which must include a statement that you will operate as an employment business, the type of work you will seek to find for the work-seeker, whether the work-seeker will be employed under a contract of service or apprenticeship or a contract for services, an undertaking that you will pay the work-seeker for work done whether or not you have received payment from a client, the length of notice that the work-seeker will be entitled to give and receive from you in respect of assignments with clients, either the actual rate of pay or the minimum rate of pay (this may be the National Minimum Wage) payable to the work-seeker, details of payment intervals and of any entitlement to annual holidays and to payment in respect of such holidays;

- ✓ in addition, such contracts must not in any way include provisions that breach the Conduct Regulations, such as subjecting work-seekers to any

detriment because they wish to take up employment with any other person. The REC has an easy-to-use [factsheet](#) covering the Conduct Regulations.



Contracts with clients

We seek assurance that your contracts with clients are issued in writing prior to you providing any services to them and comply with REC standards and the Conduct Regulations.

Evidence required

- ✓ evidence that you agree contracts in writing with clients prior to providing any services to them;
- ✓ evidence that your contracts for the introduction of permanent candidates comply with REC standards, which are that you include a statement specifying the type of services to be provided, that you include details about fees and how these will be calculated and, if a refund/rebate is applicable, you lay out how this will be calculated and the conditions that will need to be met in order for the client to benefit from the refund/rebate;
- ✓ evidence that your contracts for the supply of temporary work-seekers comply with REC standards, which are that you: include a statement specifying

the type of services to be provided; state the procedure to be followed if a work-seeker proves to be unsatisfactory; include details about fees and how these will be calculated; and, if a refund/rebate is applicable, how this will be calculated and the conditions that will need to be met in order for the client to benefit from the refund/rebate. In addition, any clauses relating to charges will need to comply with Regulation 10 of the Conduct Regulations. A clear explanation of Regulation 10 can be found in the Conduct Regulations [factsheet](#);

- ✓ if you supply umbrella company workers, you will need to make this clear in relevant client contracts.



Client contact

We seek assurance that staff understand, follow and document their obligations relating to client services.

Evidence required

- ✓ a policy or procedure detailing what information you provide to clients on initial contact;
- ✓ details of your procedures for obtaining and documenting information about positions/assignments. This must be carried out in line with Regulation 18 of the Conduct Regulations, which states that certain information must be obtained from a client and documented – this information is laid out above under 'Work-seeker checks', that is, the information that must be given to work-seekers about their assignment;
- ✓ AWR – details of your processes for obtaining and documenting 'equal treatment' information from a client in cases where an agency worker will complete a

12-week qualifying period; the REC has a model form, '[Document G – Information Request Form](#)', that you can adopt for this purpose;

- ✓ evidence that you provide written information to clients about work-seekers that you propose to them. In line with the Conduct Regulations, this information must include confirmation of the identity of the work-seeker, confirmation that the work-seeker has the experience, training, qualifications and any authorisation that the client considers necessary or that are required by law or by any professional body, and confirmation that the work-seeker is willing to work in the position.



Customer service

We seek assurance that customer service standards are in place.

Evidence required

- ✓ a copy of your customer service policy and evidence that this is communicated to staff;
- ✓ evidence of mechanisms in place to measure your service to clients and candidates, which could include, for example, surveys, telephone calls, site visits;
- ✓ details of how customer feedback has led to any improvements in your service to customers.



Health and safety

We seek assurance that staff understand, follow and document their obligations with regards to obtaining and transmitting health and safety information.

Evidence required

- ✓ that you obtain from a client and document health and safety information about assignments in line with the Conduct Regulations, which require that you must ask clients about any risks to health and safety known to the client and what steps the client has taken to prevent or control such risks;
- ✓ that you pass this information on to work-seekers in writing within three working days of giving the information verbally, as also required by the Conduct Regulations – typically this is given to work-seekers along with the other written assignment information laid out above under 'Work-seeker checks'.



Advertising

We seek assurance that adverts comply with the Conduct Regulations.

Evidence required

- ✓ examples of adverts that are compliant with the Conduct Regulations – adverts must be clear as to whether they are for temporary or permanent work, include the full name of the employment agency or business, and, if a rate of pay is stated in the advert, the advert must also include the location and nature of the work, and the minimum experience, training and qualifications the work-seeker would need in order to receive that rate of pay.

Please note: Audits are carried out on the basis that the Agency Workers Regulations (AWR) apply to the supply of workers, unless you confirm that the AWR do not apply to any/all of your activities. During audits the REC will carry out a number of checks on key working processes that relate to the AWR in order to check that members have an awareness of the AWR and have a few key working practices in place. However, the REC will not check the actual application of the AWR and the audit will not in any way provide a guarantee that you are fully compliant with the AWR.

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- Recruitment's biggest lobbying voice
- The source of recruitment knowledge
- Raising recruitment standards
- Developing successful careers in recruitment
- Exceeding members' expectations through business support.

Jobs transform lives, which is why we are building the best recruitment industry in the world. As the professional body for recruitment, we're determined to make businesses more successful by helping them secure the people they need.

We are absolutely passionate and totally committed in this pursuit for recruiters, employers, and the people they hire.

Find out more about the Recruitment & Employment Confederation at www.rec.uk.com

Recruitment & Employment Confederation

Dorset House
First Floor
27-45 Stamford Street
London SE1 9NT

Tel: 020 7009 2100

Fax: 020 7935 4112

Email: info@rec.uk.com

Twitter: @RECpress

Web: www.rec.uk.com

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