

Pre-employment screening

It is estimated that at least one in six CVs contain some form of discrepancy – most commonly dates of employment, academic and professional qualifications and undisclosed directorships.* Pre-employment screening can help your organisation to identify undesirable employees, who may be dishonest or susceptible to committing fraud, before they join your business.

What is pre-employment screening?

Pre-employment screening is the process where information provided by a prospective employee – usually in a job application form or CV – is checked to ensure that it is accurate and complete. The results can then be used by your organisation to make an informed decision about the suitability of an applicant for a particular vacancy.

To be effective, pre-employment screening should be completed *before* a prospective employee starts working for your organisation. Once employment has commenced, it may be too late.

The importance of pre-employment screening

Pre-employment screening can provide your organisation with some assurance that a prospective employee is trustworthy and has the necessary skills and/or experience required to perform the role they have applied for.

Pre-employment screening will not completely protect your business against an employee committing fraud once they have started working for you – an individual's personal and/or financial circumstances can change over time – but it can help to minimise the risk of this occurring.

Pre-employment screening can also act as a deterrent to dishonest individuals applying for positions within your organisation in the first place.

Failure to undertake effective pre-employment screening may expose your organisation to the risks of:

- Abuse of payment processes
- Abuse of employee expense reimbursement processes
- Theft of customer information
- Theft of intellectual property rights
- Use of your business premises or equipment to conduct unauthorised or illegal activities
- Theft of business assets
- Appointment of other dishonest people in your organisation.

This list is not exhaustive.

Common types of pre-employment fraud†

The applicant:

- Uses a false identity
- Impersonates an innocent party
- Uses a false immigration status
- Provides false education and/or professional qualifications

- Uses false references
- Conceals his or her employment history
- Conceals his or her employment record
- Conceals unspent criminal conviction(s)
- Conceals adverse financial and/or credit history.

Conducting pre-employment screening

Pre-employment screening can be conducted in-house or outsourced to a specialist pre-employment screening company. If your business conducts pre-employment screening you should:

- Ensure that all prospective employees are informed that they will be subject to pre-employment screening and have signed a full consent form and data protection statement.
- Ask all prospective employees to sign a declaration to confirm that the information provided on the employment application form is correct and that they understand that any material falsehoods may constitute misconduct and result in the withdrawal of any offer of employment.
- Maintain accurate records to demonstrate that appropriate checks have been conducted.

* Powerchex (2009) *The Powerchex Annual Pre-Employment Screening Survey 2008*.

† Chartered Institute for Personal Development & CIFAS – the UK's Fraud Prevention Service (2007) *Tackling Staff Fraud and Dishonesty: Managing and Mitigating the Risks*.

- Monitor relevant legislation and the legal requirements to check certain information (such as an applicant's right to work in the UK).
- Establish clear policies to assess the acceptability of pre-employment screening results.

Minimum verification requirements

As a minimum, pre-employment screening should aim to verify that the applicant:

1. Is who they say they are
2. Lives at the address provided to your organisation
3. Is eligible to work in the position applied for (eg. has the right qualifications and/or immigration status), and
4. Has provided accurate information about his or her previous employment history.

Employment application forms vary from one organisation to another, but often request information relating to an applicant's:

- Identity (eg. full name and date of birth)
- Residential address
- Educational and/or professional qualifications
- Work history (including any employment gaps)
- References
- Right to work in the United Kingdom
- Criminal history
- Financial background.

Depending upon the type of vacancy and sector in which your organisation operates, it may be necessary to verify some or all of this information.

Government departments and agencies (including the armed forces) must ensure that pre-employment screening meets the requirements of the HMG Baseline Personal Security Standard (BPSS). The standard is available from the Cabinet Office website.

The background checks your organisation conducts should be proportionate to the risks associated with the advertised role. For example, managerial or financial positions may require more extensive screening. Particular care should be taken in screening applicants for positions with access to customer records and/or other confidential information, such as call centre staff.

Your organisation should also consider pre-employment screening for contractors and temporary staff such as cleaners, security and reception staff. Fraudsters may try to obtain entry to your organisation through temporary or contracting roles where screening may be lax or non-existent.

How to verify information

The process for verifying information need not be complicated or expensive. Information can be checked through a variety of online sources or by contacting the relevant organisation.

Identity (full name and date of birth):

An original government-issued identification document such as a current passport, photographic driving licence (including paper counterfoil) or birth certificate.

- *A current passport:* There are many internet-based passport verification tools available, some of which charge an annual subscription fee. Visit the Public Register of Authentic Identity and Travel Documents Online website for free information on some European countries.
- *Photographic driving licence:* Some of the above verification websites will also provide information about driving licences.
- *Birth certificate:* Many include a watermark. It should be accompanied with a marriage certificate for a married female applicant who has changed her name.

Residential address: A simple address verification search online will return details of companies offering this service. They will provide confirmation that the applicant

lives at the address provided. Address verification can become complicated if the applicant has opted out from displaying his or her details on the electoral register or is not on it. In these cases you may wish to request original documents such as bank statements or utility bills to verify the address.

Education and professional qualifications:

Original certificates can be easily forged. Always contact the awarding body directly to obtain verification of the degree or qualification, dates of attendance and grades received. Most awarding bodies will have a third-party verification department that can assist.

Work history and references: Undertake an internet search to check that the organisation exists and contact by fax, email or post to confirm the applicant's length of service and duties within the organisation. Few organisations will provide this information by telephone and many will ask to see the applicant's signed consent form prior to releasing any information. A P45 or P60 could be requested for further confirmation. References should be requested for previous employers and employment gaps greater than three months should be checked.

Right to work in the United Kingdom:

Visit the UK Border Agency's website for information on how to check that a prospective employee is entitled to work in the United Kingdom. See the dedicated section for employers and sponsors on preventing illegal working.

Criminal history: Can be obtained from the Criminal Records Bureau, Disclosure Scotland or AccessNI (for Northern Ireland). There are different levels of disclosure which are dependent upon the role being applied for and the position of trust it entails.

Other searches: Visit the Insolvency Service website to search the individual insolvency register free online. You may also wish to consider undertaking money laundering and/or credit searches, depending upon the type of vacancy you are looking to fill.

Taking action

A prospective employee who submits a false application form for employment may have committed offences under the Fraud Act 2006 as well as a number of other relevant Acts.

If you discover that a prospective employee has provided a serious material falsehood on his or her application form for employment with your organisation, you should:

1. Withdraw any offer of employment that has been made.
2. Report the matter to the appropriate authorities (such as the Police, UK Borders Authority etc).
3. Notify any relevant recruitment agency that a fraudulent employment application form has been submitted.
4. Record the fraud on the CIFAS Staff Fraud Database if you are a member.

Ongoing reviews

Your organisation may wish to consider conducting periodic credit and criminal checks on employees in high risk positions. This is to ensure that employees remain fit and proper for the role they are performing.

Important Note: Money Laundering Regulations

If an applicant has taken up employment in your organisation in advance of all the pre-employment checks being completed, and is found to have provided a criminally fraudulent CV, then the matter must be reported to the Serious Organised Crime Agency (SOCA) as any salary paid will constitute the proceeds of crime.

This is applicable to businesses within the scope of the money laundering regulations.

Further information

AccessNI

www.accessni.gov.uk

Cabinet Office

www.cabinetoffice.gov.uk

Chartered Institute of Personnel and Development

www.cipd.co.uk

CIFAS – the UK’s Fraud Prevention Service

www.cifas.org.uk

Criminal Records Bureau

www.crb.gov.uk

Disclosure Scotland

www.disclosurescotland.co.uk

Fraud Advisory Panel

www.fraudadvisorypanel.org

The Insolvency Service

www.insolvency.gov.uk

Public Register of Authentic Identity and Travel Documents Online

<http://www.consilium.europa.eu/prado/EN/homeIndex.html>

UK Border Agency

www.bia.homeoffice.gov.uk

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