

PRE-APPOINTMENT SCREENING

Angela Richmond
Pre-Appointment Screening Project Manager
HR

Context

The draft pre-appointment screening policy and proposed screening checks are introduced to EB for agreement in principal, and approval to proceed with further cost and business impact analysis.

1. INTRODUCTION: THE REQUIREMENT FOR A GLOBAL PRE-APPOINTMENT SCREENING (PAS) POLICY

Headlines: The screening of prospective and current employees and contractors is essential from legal, contractual, child protection, counter-fraud and operational risk perspectives.

We have conducted extensive reviews and consultation over several months with government, external organisations and British Council Child Protection, Counter-Fraud, Risk, SBUs, GNT and HR teams.

The proposed PAS policy satisfies the requirements of HMG and Charity Commission and has been benchmarked with the following organisations: Save the Children, Oxfam, RBS, Leonard Cheshire Disability.

At the July Executive Board meeting we are seeking support in principle for the policy and proposed screening checks. With approval to proceed, we will continue to the next stage and complete business analysis which we will bring back to EB in the Autumn.

Context:

The organisation currently conducts pre-appointment screening checks and has guidance in place in relation to Safer Recruitment for roles involving contact with children. In the majority of countries the checks are delivered locally however some countries outsource checks to a third party.

The absence of a global pre-appointment screening (PAS) policy leaves the organisation open to risk and results in a lack of understanding and disparity in how PAS related decisions and process are undertaken globally.

Internal Audit 2016/17 (HR) revealed issues with child protection were jointly the most common HR finding: Safer Recruitment practises were not followed, particularly with regards to pre-employment checks (police/ DBS checks, self- declarations and references).

2. THE PROPOSED PRE-APPOINTMENT SCREENING POLICY

Headlines: This new pre-appointment screening policy is global in scope and sets out screening principles and standards that will apply to all work and contract types with the British Council, subject to the local law of the country in which the policy applies.

- The policy will apply to all those wishing to work for, with or on behalf of the British Council, including current and prospective employees, temporary workers, partners, contractors and consultants.
- It will set out clear accountability in the screening process.
- The policy will have global scope with flexibility in implementation by Regional HR in accordance with local law and BC operational demands.
- The policy will mitigate risk in recruitment by applying screening checks that are proportionate to the risk involved in the role. 5 categories of screening are proposed:
 - Standard – mandatory screening checks for all
 - Enhanced – screening checks for Finance roles
 - Enhanced plus – screening checks for individuals working unsupervised with children with a sub level for roles working in supervised contact with children
 - Executive – screening checks for all roles at PB9 and above

The following pages show the proposed checks that have been agreed with HRLT and other stakeholders including Child Protection, Risk and Counter-Fraud:

- Proposed pre-appointment screening checks
- Risk based rationale for the proposed screening checks

PROPOSED PRE-APPOINTMENT SCREENING CHECKS

Red text denotes a new screening check; Black ✓ denotes an existing check

Green ✓ denotes a legally or contractually required check for UK and UKA staff, consultants and contractors

SCREENING CHECKS		Standard (mandatory for all)	Enhanced (Finance)	Enhanced Plus (Teachers)	Executive (PB9+)	Recheck
Identity ✓		✓	✓	✓	✓	
Right to work ✓		✓	✓	✓	✓	✓
Financial sanctions and terrorism ✓		✓	✓	✓	✓	✓
Employment history	3 years ✓	✓				
	5 years		✓			
	10 years			✓	✓	
Criminal record	UK Basic Disclosure or local police check ✓	✓	✓		✓	
	Enhanced DBS ✓			✓		✓
	Country of origin and all countries resided in previous 10 year period			✓		
Child Protection self-declaration			✓			✓
Credit			✓		✓	✓
Professional qualifications			✓	✓	✓	
Professional and character references				✓		
International Directorship ✓					✓	
Adverse media					✓	
National Security Vetting (where appropriate) ✓					(N)	
Register of Removed Trustees (where appropriate) ✓					(N)	

Risk based rationale for the proposed screening checks

Issue	Risk	Action to reduce the risk
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LEGAL & CONTRACTUAL

We have a contractual requirement to apply the **HMG Baseline Personnel Security Standard (BPSS)** to UK and UKA employees, temporary staff and contractors engaged under the following:

- DFID terms and conditions for service contracts
- FCO terms and conditions for Conflict Stability and Security Framework (CSSF) and Empowerment Fund

To meet DFID and FCO requirements we need to gain a Basic Disclosure Certificate (of **unspent criminal convictions**) for all new hires into the aforementioned groups.

It is unclear if appropriate checks are consistently applied to consultants and contractors recruited directly via SBUs (not HR).

HSBC (and donor organisations) require British Council to carry out sanctions screening - the duty of checking whether an individual or organisation is named on any terrorism lists, financial sanctions lists or other regulatory compliance list (also stated in BC counter-terrorism and money laundering policy).

CONTRACTUAL & OPERATIONAL

Risk if we employ an individual with an unspent criminal conviction that relates directly to their work and suitability for the role

Risk to international mobility and rapid growth if individuals have insufficient checks to transfer between roles

Introduction of standard checks for all

- UK, UKA, temporary staff and contractors: Basic Disclosure Certificate or equivalent local police certificate for all new starters and internal staff moves.
- This is an independently verified check to determine if an individual has any unspent (or spent where legally available) criminal convictions.

LEGAL, CONTRACTUAL & REGULATORY

In the UK, it is an offence to breach a financial sanction; this can result in financial penalty. Breaching sanctions is also very likely to cause reputational damage to British Council, particularly if it involves a target sanctioned for involvement in terrorism.

Risk of breach of HSBC and donor organisation contracts.

- Sanctions screening for all new and existing staff.

- Screening currently takes place for suppliers and grant recipients and is being implemented in high risk countries.

- Annual sanctions screening recheck for all.

CHILD PROTECTION

Keeping Children Safe (KCS) membership and child safe certification

– we have externally committed to comply with international best practice in the child protection standard area of safe recruitment to ensure staff suitability to work with children and more broadly in child protection (*Statement of Risk Appetite, July '16*)

Independent Inquiry Child Sexual Abuse (IICSA)

– we are part of the open investigation concerning 'children outside the UK' which will examine the extent to which we are failing in our duty of care to protect children abroad by, for example, employing individuals who should not work with children.

Operating in high risk regions/countries

as determined by international child protection risk indicators. This type of environment is proven to be tempting to predatory offenders as they feel they can abuse freely without detection (ECPAT UK 2011)

Increased child abuse reporting

– in 2016/17 we had an 84 percentage increase in reports; of the overall reports 32% related to allegations against staff/partners. A consistent finding in these cases is poor implementation of safer recruitment and vetting procedures.

LEGAL & REGULATORY

breach if we employ an unsuitable individual to work with children which could engender concerns of negligent hire.

Risk of breach of DFID and other donor contracts.

REPUTATIONAL

likelihood that the British Council will end up in a public hearing as part of the IICSA and that the adequacy of our recruitment and vetting policy and practice (historic and current) will constitute a significant area of scrutiny.

OPERATIONAL

Risks of targetability due to international mobility, rapid growth, emerging business with children and working through others.

Teachers are in the top 3 most high risk professions for travelling sex offenders.

Criminal record checks are not always carried out for new and existing staff and those engaged in rapid recruitment exercises working with children, including Teachers and venue staff.

Introduction of Enhanced Plus checks for Teachers and all roles in unsupervised contact with children

- Criminal record and employment history checks for Teachers and roles involving unsupervised contact with children, in all countries of residence in a 10 year period (with option to increase), and country of origin
- Character references, employment history and/or media checks in countries where criminal record checks are illegal (risk assessed approach)
- Criminal record recheck every 3 years for Teachers and roles involving unsupervised contact with children

COUNTER-FRAUD

Cabinet Office, Charity Commission and central government are all subjecting the organisation to considerable external scrutiny and are proactively targeting counter fraud management.

Public Accounts Inquiry: “Tackling Overseas Expenditure” April 2017

This inquiry (at which Ciaran gave evidence) into DFID, FCO and British Council found that the British Council’s reported levels of fraud were not credible and issued recommendations that we should improve transparency and publish a clear plan setting out how we will improve our counter-fraud activities.

The British Council has a **global policy statement** on fraud, which states we have zero tolerance to fraud and corruption, and we are committed to having effective systems, procedures and controls in place.

The following **legal obligations** apply to the organisation:

- Bribery Act and Terrorist Act.
- Charity Commission has regulatory oversight and requires us to safeguard funds and assets.
- DFID contractual requirement to manage funds correctly and report fraud.

Increased fraud reporting - in FY16/17 there were 47 reported cases of fraud, which is considerably lower than external estimates suggest credible. 64% of this was conducted by our own staff, 20 of whom were dismissed for fraud.

REGULATORY & CONTRACTUAL

breach (DFID and Charity Commission) if we have not shown adequate corporate responsibility in safeguarding funds and assets.

REPUTATIONAL & OPERATIONAL

Significant reputational harm to BC and loss of assets.

Poor staff morale.

Directly impacts negatively on the communities we are seeking to support.

Introduction of Enhanced checks for Finance and Executive (PB9+) roles

- Financial probity, professional qualifications and increased employment history checks for all new staff in Finance roles.
- Financial probity, professional qualifications, increased employment history checks, adverse media and directorship checks for all new staff and Directors at Grade 9 and above.
- Financial probity rechecks every 18 months for the above groups.