



The Recruitment Compliance Self-Checks

How confident are you that your recruitment business is compliant?

Independent, evidence-based assurance for complex labour supply chains

9 self-checks inside

Compliance is often assumed, rarely tested

Recruitment compliance is often something businesses assume is under control until they have a reason to look more closely. There may be policies in place, established processes for onboarding workers, approved suppliers and teams who have been carrying out checks for years. On the surface, everything can appear to be working as it should.

But how confident are you that your processes are being followed consistently? Can you demonstrate that the right checks have been completed, that the evidence has been retained and that any issues identified have been properly resolved? More importantly, do you know where the gaps in your recruitment compliance might be?

You cannot effectively manage compliance risk if you do not know where your gaps are.

This eGuide is designed to help recruitment agencies and employers take a step back and challenge their current approach. It is not a substitute for a formal recruitment compliance audit, but it provides a practical starting point for identifying areas where your controls, evidence or oversight may need closer attention.

Use the questions throughout this guide to assess how confident you really are in your current recruitment compliance position.

CONTENTS

Nine questions to test your position

- 01 Do you know what compliance looks like?**
 - 02 Right to Work: can you prove the check was correct?**
 - 03 Worker files: are your records telling the full story?**
 - 04 Pay, tax and employment status**
 - 05 Supply chain compliance: who is really supplying your workers?**
 - 06 Supplier assurance: monitoring, or just trusting?**
 - 07 Worker welfare: looking beyond the paperwork**
 - 08 What happens when you find a problem?**
 - 09 Can management see the bigger picture?**
-

1

Start with the basics: do you know what compliance looks like?

A strong recruitment compliance process starts with clarity. Everyone involved should understand what needs to be checked, who is responsible for completing each stage, what evidence needs to be retained and what happens when something does not meet the required standard.

It is worth asking whether your documented procedures accurately reflect what happens in practice. Do your teams understand the process, or are they relying on experience and individual judgement? Are the same controls being applied consistently across different consultants, branches, departments and worker populations?

Consider whether you could confidently demonstrate that your recruitment compliance procedures are documented, understood and consistently applied. If different people follow different processes, or if key controls depend on individual knowledge rather than a defined procedure, there may already be a gap worth investigating.

Self-check

If you asked three people in your organisation to explain your recruitment compliance process, would you get the same answer?

2

Right to Work: can you prove the check was completed correctly?

Right to Work is one of the most important areas of recruitment compliance, but completing a check is only part of the picture. The quality of the evidence, the timing of the check and the way records are maintained all contribute to your overall compliance position.

Ask yourself whether every relevant worker has been subject to the appropriate Right to Work process. Can you demonstrate what evidence was reviewed, when the check took place and who completed it? Where follow-up checks are required, are these identified and managed through a controlled process?

It is also important to consider consistency. A recruitment agency may have hundreds or thousands of worker records, and the fact that some files are complete does not necessarily mean the process is working consistently across the wider population.

A recruitment agency audit should therefore look beyond whether a Right to Work document exists. It should examine whether the underlying process is controlled, repeatable and supported by appropriate evidence.

Self-check

If someone independently selected a sample of your worker files tomorrow, how confident would you be that the Right to Work evidence would be complete and accurate?

3**Worker files: are your records telling the full story?**

Worker records provide an important audit trail of how an individual was recruited, onboarded and engaged. Missing information may not always be immediately visible during day-to-day operations, particularly when recruitment teams are working at pace.

Your recruitment compliance processes should consider areas such as identity checks, Right to Work, qualifications, licences, references, contracts and Key Information Documents where applicable. Compliance.One's audit framework specifically includes these areas when reviewing recruitment and onboarding controls.

The important question is not simply whether you have a system for storing records. It is whether that system gives you confidence that the required information is present, accurate and accessible when you need it.

Self-check

Could you quickly identify which worker files are incomplete, or would you need to review them individually to find out?

4**Pay, tax and employment status: are you confident beyond the placement?**

Recruitment compliance does not end when a worker is successfully placed. Pay, deductions, holiday pay, minimum wage, pensions and employment status can all create compliance considerations, depending on the way workers are engaged and supplied.

You should be able to explain how these areas are controlled and what evidence supports your processes. If your organisation uses different engagement models or works with different labour supply partners, it is particularly important to understand where responsibility sits.

Compliance.One's audit framework considers areas including payslips, deductions, holiday pay, minimum wage, AWR, pensions, RTI, CIS and IR35, depending on the supply model being reviewed.

Self-check

If a client, worker or auditor asked you to demonstrate how pay, tax and employment status risks are controlled, could you provide the evidence quickly?

5**Supply chain compliance: do you know who is really supplying your workers?**

For recruitment agencies and employers operating complex labour supply chains, compliance risk can extend beyond the immediate supplier relationship. You may work with payroll providers, umbrella companies, subcontractors or other intermediaries, while larger organisations may have multiple agencies supplying workers across different locations.

Do you know exactly who is involved in your labour supply chain?

It is important to understand whether second-tier or onward supply is taking place, whether payroll intermediaries are being used and whether the payment model is understood. Your organisation should also have clear requirements for approved providers and an appropriate process for assessing those providers.

Supply chain transparency is a specific area within Compliance. One's audit framework, including second-tier and onward supply, payroll intermediaries, payment models and approved-provider requirements.

Self-check

Could you map your labour supply chain today and identify every organisation involved between you and the worker?

6

Supplier assurance: are you monitoring compliance or simply trusting it?

Supplier approval and supplier assurance are not the same thing. A supplier may have completed your onboarding process successfully, provided the required documentation and been approved for use. However, that initial approval does not necessarily demonstrate that their controls remain effective over time.

This is particularly important where recruitment agencies, umbrella companies or subcontractors form part of your labour supply chain. Regular monitoring can help identify whether standards are being maintained and whether issues are emerging across multiple suppliers.

Consider whether you conduct periodic reviews, retain evidence of supplier checks and track corrective actions. You should also consider whether higher-risk suppliers receive an appropriate level of scrutiny rather than every supplier being treated in exactly the same way.

Self-check

When was the last time you independently tested the compliance of one of your key suppliers?

7

Worker welfare: are you looking beyond the paperwork?

Recruitment compliance is not simply about documents and processes. It also involves how workers are treated throughout the recruitment and engagement process.

Your controls should consider issues such as inappropriate recruitment fees, indicators of modern slavery, safeguarding concerns and appropriate routes for escalation. Compliance. One's audit framework includes fair treatment, recruitment fees, modern slavery indicators, safeguarding and escalation as part of its worker welfare review.

These areas can be more difficult to assess because problems may not appear in standard administrative records. That makes it important to consider whether your organisation and suppliers have appropriate controls for identifying concerns and responding when they arise.

Self-check

If a worker raised a concern about their treatment or recruitment experience, would you know how that concern should be handled and escalated?

8

What happens when you find a problem?

No recruitment business can assume that every process will operate perfectly all the time. The strength of your compliance framework is also reflected in what happens when something goes wrong.

When an issue is identified, is it formally recorded? Is the level of risk understood? Is someone responsible for putting it right? Is there a target date, and is anyone checking that the action has actually been completed?

Compliance. One's audit methodology includes reviewing evidence, identifying non-conformances, classifying findings according to risk, assigning practical corrective actions and following up to confirm that improvements are complete and sustained.

Finding a problem is useful, but finding it without addressing the underlying cause simply leaves the risk in place.

Self-check

If you identified a significant compliance gap today, could you show who owns the corrective action, when it is due and how completion will be verified?

Can management see the bigger picture?

Individual worker files and supplier reviews provide useful information, but senior management needs visibility of the wider compliance position.

Can you identify which suppliers present the greatest risk? Do you know which issues occur most frequently? Are there recurring themes across different suppliers or locations? Can you see which corrective actions are overdue?

Without this wider view, compliance can become reactive. An organisation may resolve individual problems without recognising that the same issue is appearing repeatedly elsewhere in the business or supply chain.

Compliance. One's management-level reporting is designed to provide visibility of critical, high, medium and low risks, recurring themes, systemic risks, corrective action progress and trends across the supply chain.

Self-check

If your leadership team asked for a current overview of recruitment compliance risk, could you provide one based on evidence?

So, how confident are you?

By now, you should have a clearer idea of where your recruitment compliance position feels strong, and where there may be uncertainty.

The most important answers are not necessarily the ones where you said "no." The answers that should attract the most attention are often the ones where you said **"I don't know."**

Uncertainty can be a compliance risk in itself. If you cannot demonstrate how a process works, cannot locate the evidence supporting it, or cannot explain who is responsible for addressing an issue, it becomes difficult to manage that risk effectively.

Use the following three categories to think about your current position.

Confident You have a defined process, clear ownership and evidence that demonstrates the control is working.	Needs attention You have a process, but evidence may be inconsistent, responsibilities may be unclear or not always applied consistently.	Unknown You cannot confidently explain the process, demonstrate the evidence or establish whether the control is working.
--	---	---

The third category is particularly important — it highlights where further investigation may be needed.

NEXT STEP

From self-check to independent assurance

A self-check is a useful first step, but it has limitations. It is difficult to independently challenge a process when you are also responsible for operating it.

An independent compliance audit provides a different perspective. Rather than relying solely on policies, procedures or internal assurances, an independent review can examine the evidence, test whether controls are operating as intended and identify areas where further action may be required.

Compliance.One provides independent, evidence-based assurance across complex labour supply chains. Its approach examines how labour is sourced, engaged, onboarded, paid and governed — turning evidence into clear risk visibility and practical corrective action.

The objective is not simply to produce a report. A useful audit should help an organisation understand where its risks sit, which issues require attention and what practical corrective action should follow.

Compliance.One's approach can be tailored around your supplier population, priority risks and reporting requirements, with the option of a one-off review or ongoing assurance.

THE QUESTION TO ASK NEXT

You've challenged your recruitment compliance from every angle.

Now there's just one question left.

How confident are you that your answers would stand up to independent scrutiny?

Very confident Your next step may simply be to continue monitoring and testing your controls.

Mostly confident There may be specific areas where targeted testing could provide additional assurance.

Not sure That uncertainty is worth investigating.

Recruitment compliance is not about assuming everything is working. It is about having the evidence and assurance to demonstrate that it is.



Independent, evidence-based assurance for
complex labour supply chains

www.complianceone.co.uk