

How contractors should prepare for financial services screening

Screening of contractors by financial services companies used to be occasional or project specific. Well, it's not any more. All the clearing banks in the UK-- that is, RBS, Barclays, Lloyds TSB, and HSBC--as well as most of the international ones will now only hire screened contractors.

"It's rapidly becoming impossible to work as a contractor in the financial services sector if you are not able to get through the screening process," says Alexandra Kelly, managing director of the corporate pre-employment screening specialists [Powerchex](#). "For now, the major banks are all starting to do it, but the smaller banks, the insurance companies, the brokers, and the other financial services providers are all beginning to screen as well. It will be sector-wide in the UK by the end of the coming year."

4-6 Weeks Delay

Contractors in the sector should become accustomed to 4-6 weeks of delay before starting work, Kelly points out. "The screening process is such that this delay cannot be shortened, because there are elements of it that require time-consuming checks involving external partners."

How Screening Works

The reason that screening takes so long is because of the extent of the processes involved in it. These include:

Credit checks

Arrest checks with the police

Address Verification for the past 6 years

Employment verification for the past two years (and often for longer)

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Alexandra Kelly-Powerchex

Keep An Eye On Your Credit

Credit checks take place in the usual way with reference to Experian or the other personal credit rating agencies. Similar checks will be made on the company if the contractor has his own limited company. These do not take so much time, but they do require that contractors have their credit in order. Contractors should verify their credit reports regularly using the online services provided by the ratings agencies.

Police Checks Take Time

Banks will insist on checking your arrest records with the police whether or not you have ever been arrested. Unfortunately, this process takes time and woefully prolongs the screening process, as Kelly explains. And this check has to be performed each time you get work in financial services, so even a three-month contract with one bank will be followed by a new police check. There is not much a contractor can do to improve conditions here.

Keep Your Proof of Address

Fortunately, a contractor can do something about the address checks. Keep your bank statements and utility bills with proof of your previous addresses on them, Kelly advises. Banks will want to know where you have lived during every period of your life in the past six years.

You can also speed up this process by making your address data available on the Electoral Rolls. "When you register to vote, there is an opt-out on the form that allows you to not share your data. Don't take this option!" Kelly warns. The Electoral Roll is the surest proof of address you can offer, and so make sure you are on it and that it is current, and that we the screeners can access it."

Keep All Proof of Employment

The last condition is the hardest one for contractors to achieve. Doing short-term assignments is part of contracting, and if you keep all the paperwork from all your assignment over a six-year period you will amass a lot of paper. All the same, you need to keep as much as you can. This may come in handy for other uses like proving you are outside IR35.

"You don't know how often I hear: "It's all at my mother's house back in (some little village). I have to tell the contractor: get it back here fast since you won't be able to work until it arrives."

If possible, Kelly suggests, try and get your line manager on each job to provide you with a letter stating that you worked for this company for a given period at a given project. "This speeds up the screening process," Kelly says.

Even with all this, the screening process can't be accelerated beyond a certain point which will depend on the client and the screening agency. Contractors working in this area—which is the largest one in the UK industry—should try and schedule work as early as possible to avoid excessive delays between jobs.

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