
Verifile International Newsletter

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Welcome to our August 2019 edition of our newsletter which contains important news and updates from us.



Presentation of Queen's Award for Enterprise by HM Lord-Lieutenant of Bedfordshire

Verifile has been formally presented with the Queen's Award for Enterprise.



The award was given for outstanding growth in overseas sales throughout the last six years. Her Majesty's Lord-Lieutenant of Bedfordshire, Helen Nellis kindly joined us for an interactive tour of our operations and a celebration afternoon tea.

If you didn't catch our blog [read it here](#).



After **winning awards** for Bedford Business of the Year and Best Enterprising Business at this year's SME Luton & Bedfordshire Business Awards, we are delighted to be invited to the national awards final at Wembley Stadium on the 6th December.

Verifile is competing against top businesses from across the country for the title of the UK's Best Enterprising Business. The Enterprising Business award focuses on businesses that show outstanding initiative, boldness and imagination, as well as sound management practices within their company.

The Verifile team works extremely hard to help you ensure that every one of your employees is everything they claim to be. We're very proud to have reached the UK final and would like to thank our staff, clients, and partners for helping us achieve this amazing result.

Cifas Onboarding Party Meeting

Verifile were invited to attend the Cifas Onboarding Party Meeting this month to talk about employment fraud together with other Cifas members and clients from a wide range of industries.

Cifas has observed a rising amount of fraudulent behaviour in senior-level roles. Historically most employment application fraud has been seen in lower-level roles. Verifile has noticed this trend, seeing an increase across all industry sectors. False grades on CVs are the main issue and in some instances, even though particular grades were not a requirement of the role, the candidate was rejected due to CV fraud.



Cifas has also noticed a rise in the number of candidates who provide a personal email address for their chosen referee rather than the contact details of the HR department or person responsible for providing references. Verifile always goes directly to the HR department, even if a personal or work email address is provided by the candidate.

Another hot topic was how self-employed candidates conceal debt and fraudulent activities. Often this occurs when CCJs are attached to the company as opposed to the individual. Many of Verifile's clients have a company credit check undertaken on the candidate's company to safeguard against this risk.

It was great to hear that many organisations undertake post-employment or re-screening for current employees. This is something that Verifile highly recommends, but is often overlooked. Cifas believes that post-employment screening is becoming essential in many industries such as finance, IT and for employees who work with vulnerable people.

Another interesting topic that was discussed was the rising number of candidates who have no UK footprint. This highlights the need to undertake the correct international checks. Global screening is of particular interest to Verifile and our international service was recently recognised when we won the **Queens Award for International Trade**. We pride ourselves on sourcing our data from official sources such as Ministries of Justice and local credit bureaus. We work directly with hundreds of these data sources around the world, feeding their data into our background checks. More information on our global services can be found [here](#).

Cifas members have also identified undeclared adverse credit as a current concern. This not only requires a review of the credit results but could require Cifas members to recommend an adverse filing for the candidate in the Cifas database. Best practice is to allow candidates to declare any potential issues prior to screening. Verifile's Fitness and Propriety Declaration is an excellent aid that gives candidates the opportunity to highlight any potential concerns as well as providing their details and consent/permission for the check to be performed/carried out. More information on our range of Fitness and Propriety Declarations can be found [here](#).

It was a fantastic meeting and extremely beneficial to the screening industry and we look forward to the next meeting.



International Product Changes

- **Disruption to credit and directorships checks:** There are currently disruptions to credit and directorships checks in the following countries: Cyprus, Estonia, Latvia, Lithuania, Lebanon, Malta, Netherlands, Romania, Iran and Jordan. If you wish to order any of these checks, please contact Verifile for an update on the situation.

Worldwide News

Global



Global

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A THIRD OF THE WORLDWIDE WORKFORCE EXPECTED TO BE CONTRACTORS BY 2023

Global research by international recruitment firm Robert Half has found that business leaders expect to achieve a 66:34 split between permanent and temporary workers by 2023. The research also found that 97% of business leaders identified benefits of adopting a more flexible approach to recruitment in the years to come.

Asia Pacific



Australia

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CHECK YOUR COMPANY POLICIES BEFORE COLLECTING EMPLOYEE DATA

There are a range of things that Australian businesses can do to better manage the collection, use and disclosure of employee information.

Australia

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CRIMINAL RECORD NOT A GET OUT OF JAIL FREE CARD FOR EMPLOYERS

A company has paid an unsuccessful job applicant \$2,500 in compensation and revised its global recruitment and HR practices after it was found to have discriminated against the candidate on the basis of her criminal record.

China

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CHINA ISSUES DRAFT OF DATA SECURITY ADMINISTRATIVE MEASURES

The Cyberspace Administration of China (CAC) has released draft Data Security Administrative Measures for public comment.

Singapore

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SINGAPORE: GUIDE ON ACTIVE ENFORCEMENT RELEASED

The Personal Data Protection Commission (PDPC) has published a Guide on Active Enforcement that represents a change in the way that the PDPC handles enforcement actions going forward.

Europe



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Europe

12 MONTHS SINCE GDPR - WHAT DO EMPLOYERS REALLY NEED TO KNOW?

One year after the GDPR has been enacted, what are the four key steps that employers should consider to ensure GDPR compliance? The first step is audit and analyze data and to focus on the more unusual data that is processed, such as fingerprints.

[Read more](#)

GDPR FAQs: IS A CONTROLLER SUBJECT TO ADMINISTRATIVE FINES FOR THE GDPR VIOLATIONS OF ITS PROCESSOR?

BCLP is publishing a multi-part series that discusses the questions most frequently asked by clients concerning the GDPR. One topic to be discussed includes whether a controller is subject to administrative fines for GDPR violations of its processor.

[Read more](#)

NEW RULES ON HANDLING OF EMPLOYEE DATA

Almost one year after the EU General Data Protection Regulation (GDPR) went into effect, new laws include general rules on the handling of employee data.

[Read more](#)

THE GLOBAL OUTLOOK ON DATA PROTECTION - A WORLDWIDE APPROACH

As part of a series on different data protection regimes across the globe and how UK businesses operate within them, Helen Foster, partner, and Rachel Marmor, counsel, both who work in technology, privacy and security at Davis Wright Tremaine LLP, consider the benefits and drawbacks of a global approach, and how businesses can best protect themselves against legal conflicts.

[Read more](#)

TRANSFERS ON TRIAL: PRIVACY SHIELD AND STANDARD CONTRACTUAL CLAUSES GO BEFORE THE EUROPEAN COURTS

This month in Luxembourg, the General Court of the European Union will hear a case against the EU-U.S. Privacy Shield brought by three French NGOs, in addition to arguments in Schrems II, in which the Irish High Court has referred 11 questions relating to whether the European Commission's Standard Contractual Clauses provide an adequate level of protection for personal data that is transferred to the U.S. Both judgments could seriously restrict options for lawful data flows into the UK after Brexit.

The Czech Republic

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CZECH REPUBLIC: NEW ACT ON DATA PROCESSING HAS BEEN ADOPTED BY CZECH LEGISLATIVE AUTHORITIES

Czech legislative authorities have adopted a new act on data processing and that has recently been signed by the Czech President. The Act implements the General Data Protection Regulation, and stipulates specific rules of data processing for journalistic, academic, artistic or literary purposes.

France

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NEW FRENCH DATA PROTECTION ACT AND IMPLEMENTING DECREE TAKE FORCE

The French Data Protection Act is now officially being implemented.

Greece

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GREECE – THE GDPR ONE YEAR ON

What has happened in Greece in the 12 months since the GDPR became effective? A review covers increased activity at, and fines imposed by, the data protection authority, as well as data protection matters that are under consideration by the Greek courts.

Hungary

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GDPR-RELATED REGULATORY MODIFICATIONS IN HUNGARY

Hungary has enacted the Data Protection ‘Salad’ Act that modified 86 Hungarian acts regarding the deregulation and implementation of the GDPR, with the goal of bringing the Hungarian regulatory framework in line with the GDPR.

Latvia

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LATVIA - THE GDPR ONE YEAR ON

In the 12 months since the GDPR took effect in Latvia, the Latvian data protection authority has received a record number of complaints and has begun to impose low-level penalties. Latvia has also adopted local data protection legislation.

Sweden

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THE SWEDISH DATA PROTECTION AUTHORITY PUBLISHES ITS SUPERVISORY PLAN FOR 2019–2020

The Swedish Data Protection Authority has published its supervisory plan for 2019–2020 that will focus on three areas: prioritized legal areas, specific businesses and organizations, and new technological advances.

United Kingdom



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GDPR FOR HR – ONE YEAR ON: TOP 10 TIPS

Following General Data Protection Regulation sessions held in London and Cambridge last month, Rachel Ashwood or Razia Begum of Taylor Vintor put together top 10

practical tips for employers to consider, from a documentation and process viewpoint, one year on from the introduction of the GDPR.

[Read more](#)

ICO PUBLISHES REPORT ON IMPACT OF GDPR

The United Kingdom's ICO has released a report, "GDPR: One Year On," that discusses the impact of the GDPR one year following its implementation. The report provides insight into the enforcement practices, EU-wide cooperation, support functions, innovative practices and further growth plans of the ICO.

[Read more](#)

NEW REQUIREMENT FOR INTERNATIONAL SCHOOL TEACHER BACKGROUND CHECKS

British schools around the world will be required to use a system that provides comprehensive background checks of UK teachers working overseas. The Council of British International Schools (Cobis) has said that it will expect all its member schools – covering 75 countries – to use the International Child Protection Certificate (ICPC) to vet its British employees.

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Russia



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DATA LOCALIZATION IN RUSSIA: NOW BACKED WITH BIG FINES

Until recently, Russian legislation did not include administrative sanctions for companies who violate data protection requirements. However, new legislation introduced will propose fines for first offenses between \$30,000 – \$90,000. Repeated offenses may be punishable by fines between \$90,000 – \$280,000.

Brazil



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HOW TO BE PREPARED FOR BRAZIL'S NEW SWEEPING PRIVACY LAW

The Brazilian National Congress has approved Provisional Measure no. 869/18, which incorporates some important changes to the Brazilian General Data Protection Law that will take effect on August 16, 2020.

Canada



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“GONNA STAND MY GROUND; AND I WON'T BACK DOWN” – THE OPC CHARGES FORWARD WITH ITS CONTROVERSIAL CONSULTATION ON TRANSBORDER DATAFLOWS/TRANSFERS FOR PROCESSING

The Office of the Privacy Commissioner of Canada has published a reframed discussion document related to its controversial consultation on transborder dataflows that was originally published on April 9, 2019.

United States



Employment Screening:



When Job Applicants Lie: Implementing Policies to Protect Your Company

A recent study revealed that 85 percent of employers have caught applicants lying on their résumés or job applications, the most common being those that involve modifying dates of employment, falsifying credentials, training or degrees, inflating prior earnings or hiding a criminal history. Employers can avoid potential pitfalls by implementing a clear and uniform policy about the consequences of providing false information on an application.

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Navigating Background Checks in the Hiring Process

In order to be successful in the background check process, Human Resource professionals should take advantage of tools like the Equal Employment Opportunity Commission (EEOC) guidance and Fair Credit Reporting Act (FCRA) guidance.

[Read More](#)

Reference Checks Ahead

The University of California, Davis, last year launched a new pilot policy on faculty reference checks, a measure Philip Kass, the university's vice provost of academic affairs, said is intended to "prevent and otherwise address issues of sexual misconduct on campus."

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Pilot Accused of Three Murders Had Criminal Record Prior to Being Hired to Fly

Former U.S. Army and Army Reserve veteran and PSA Airlines pilot Christian Richard Martin had been found guilty of assault on a child under the age of 16 in 2016 before he was hired by parent company American Airlines. He now is accused of the 2015 murder of three individuals.

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Car sharing companies need to conduct background screening on their customers

Car2Go recently decided to stop background screening its customers with disastrous consequences. For several years Car2Go had screened all of its customers which lead to delays for consumers of around two days. In April, when car2Go stopped these manual background checks 20 thieves created 80 fake accounts which resulted in 75 Mercedes cars being compromised with some joy riders even posting videos on social media.

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Citigroup's fined \$1.25 million for failing to perform proper background checks

The Financial Industry Regulatory Authority said on Monday it has fined Citigroup's Global Markets business \$1.25 million for failing to perform proper background checks

on thousands of employees between 2010 and 2017.

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BAN THE BOX:

Ban the Box and Statistical Discrimination

Although Ban the Box laws are well-intentioned, evaluations have found that the effect is to reduce minority employment rather than induce firms to engage in a costly search and interview effort. In a working paper reviewed by Peter Van Doren, editor of quarterly journal *Regulation*, it was determined that BTB increases statistical discrimination because when employers can't ask about criminal records, they will "use race as a proxy leading to discrimination," especially against young black men.

[Read more](#)

Governor Hogan Vetoes the Ban the Box Bill

Although Governor Hogan recently announced that he was vetoing House Bill 994, the "Ban the Box" bill was passed with veto-proof majorities in both the House and Senate, so will likely see a veto override in the next General Assembly session.

[Read more](#)

D.C. Government Collects \$500K from Employers That Failed to "Ban the Box"

More than 1,100 charges have been filed against employers in the District of Columbia for asking about criminal histories on job applications since 2014, bringing in more than \$500,000 in fines.

[Read more](#)

Massachusetts Attorney General is Checking Whether Employment Applications Contain Prohibited Criminal History Questions

Nineteen businesses were recently cited by Attorney General Maura Healey for violation of the state's ban-the-box law. A similar round of enforcement action took place in May 2018 that included the investigation of more than 70 Massachusetts employers and resulted in 21 citations.

[Read more](#)

Wisconsin Labor and Industry Review Commission Determines Even Very Upsetting Criminal Convictions May Not Be Substantially Related to the Job

A recent decision of the Wisconsin Labor and Industry Review Commission (LIRC) demonstrates the dilemma that employers face when deciding whether to hire an applicant with a criminal background.

[Read more](#)

Colorado Enacts Statewide Ban-the-Box Law for Private Employers

Colorado Governor Jared Polis recently signed the Colorado Chance to Compete Act (House Bill 19-1025), which will prohibit employers from asking about criminal history on an initial written or electronic application.

[Read more](#)

New Mexico Joins the Nationwide Movement to ‘Ban the Box’

New Mexico’s “Ban the Box” laws have been expanded to now include private employers. Effective June 14, the state’s “Criminal Offender Employment Act” prohibits private employers from inquiring into applicants’ arrest or conviction history at the preliminary application stage.

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LEGAL ISSUES:

New Hampshire senate OKs Bills to Ban Employer Use of Credit Checks and Salary History in Hiring

Two New Hampshire bills that are with legislature could prevent employers from asking about job applicants about their salary history or run credit checks on them.

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FTC Announces Amendments to Rule Providing Model Forms and Disclosures to Facilitate Compliance with the Fair Credit Reporting Act

The Federal Trade Commission (FTC) has approved publication of a Federal Register notice announcing the rescission of several model forms and disclosures under the Fair Credit Reporting Act (FCRA).

[Read more](#)

Pennsylvania County Hit with 68 Million Dollar Verdict in Statutory Damages After Violating Privacy Interests

In late May, a federal jury found that Bucks County willfully violated Pennsylvania’s Criminal History Records Information Act (CHRIA) and awarded the statutory minimum to each of the class members, resulting in up to \$68 million in punitive damages.

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Alaska Court Rules Sex Offender Registration Law Violates Due Process

When a registered sex offender (John Doe) moved to Alaska after he was convicted of a sex crime in another state, representatives for Alaska argued that “it was in the state’s best interest to public safety to monitor out-of-state offenders.”

[Read more](#)

Are You Background Checking Your Contractors? If So, Exercise Caution

Although employers who use background checks in their hiring processes are likely aware of Fair Credit Reporting Act (FCRA) requirements regarding employees, the question remains whether employers should extend the same precautions to non-employees they engage for service.

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7-Eleven Will Pay \$2M to Settle Background Check Class Action

Under the terms of a proposed class action settlement, 7-Eleven will establish a settlement fund of \$1,972,500 to compensate about 60,000 job applicants who claimed that the company violated the Fair Credit Reporting Act (FCRA) when it failed to provide a “standalone” notice of background checks.

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NY Passes Fingerprint Bill Requiring Background Checks on School Employees

The Fingerprint Bill, which requires all religious and private schools in New York to run fingerprints and a background check on potential employees, has been passed by the New York State Senate. Senate Bill S3335 also authorizes conditional appointment of employees by such schools pending determination of the criminal background check.

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The Risks of Assembling Consumer Information

The Second Circuit recently held that a business may not be liable under the Fair Credit Reporting Act (FCRA) for publishing false information unless it specifically intended the report to be a “consumer report.”

Read more

Maryland Privacy Act Amendments Impact Businesses That Maintain Computerized Personal Information

Effective October 1, 2019, a series of amendments approved by Maryland governor Larry Hogan will impact data breach obligations imposed on businesses that “maintain” computerized data containing personal information.

Read more

FTC Continues Enforcement of False Privacy Shield Claims

The Federal Trade Commission (FTC) has taken action against several companies throughout the years for violations of the Privacy Shield framework, most recently settling with SecurTest, Inc.

Read more

Ruling Raises Important Considerations for Independent Contractor Background Screening

A decision by the Southern District of Iowa in *Smith v. Mutual of Omaha Insurance Company* has provided some hope for those seeking ways to defend against Fair Credit Reporting Act (FCRA) class action claims.

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Ninth Circuit Weighs in on Calculating the FCRA’s Seven-Year Reporting Rule

The Ninth Circuit Court of Appeals recently weighed in on a Fair Credit Reporting Act (FCRA) case in which the plaintiff sued a consumer reporting agency (CRA) for issuing a tenant screening background check report on him that contained his criminal history, claiming a violation of the California Investigative Consumer Reporting Agencies Act (ICRAA).

Read more

Delta Settles FCRA Class Action for \$2.3 Million

The district court for the Northern District of California recently issued an order granting Plaintiff’s motion in *Schofield v. Delta Air Lines, Inc.*, for preliminary approval of a class settlement totaling \$2.3 million for a class of about 44,100 class members.

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Maine and Cincinnati (Ohio) Join the Growing List of Jurisdictions Banning Salary History Inquiries

Maine and Cincinnati now prohibit employers from making salary history inquiries of potential employees. In Maine, “An Act Regarding Pay Equality” prohibits employers from using, inquiring about or confirming an applicant’s compensation history until after an offer of employment has been negotiated and made, and the offer must include all terms of compensation.

[Read more](#)

Re-examining Data Privacy Under the FCRA

A recent Senate Banking Committee meeting focused on the structure and practices of the data broker industry and technology companies.

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