



# FCSA Supply Chain Partner Charter

## About the Charter

The FCSA Supply Chain Partner Charter creates a clear framework of principles and values that support and underpin compliance throughout the supply chain.

Adherence to the Charter demonstrates to end-hirers:

- that your recruitment business is committed to professional and ethical recruitment;
- that the management of their contingent workforce is in the hands of trusted experts;
- that risk is mitigated for all parties in the supply chain.

It is also particularly useful for meeting the requirements of the Modern Slavery Act, which requires businesses to confirm steps taken to prevent slavery and exploitation within their supply chain, and demonstrates that you have taken reasonable steps to minimise your risk under the Criminal Finances Act 2017.

## The purpose of the Charter

The demand for contingent labour has resulted in an expanding industry and with it, a growing variety of service providers and payment intermediaries. At one end of the spectrum, workers are engaged directly by recruitment businesses or through umbrella companies under PAYE, or via personal service companies - with or without the support of an accountant. At the other end, aggressive tax avoidance arrangements involving offshore structures or loans schemes, managed service companies, and other legally or ethically questionable solutions that remove workers' rights and facilitate low pay.

Despite growing pressures on margins, non-compliance within the supply chain, knowingly or unwittingly, can have

devastating consequences on recruitment businesses. Particularly in the wake of ever-increasing legislation and scrutiny of the sector.

From crippling financial losses from non-compliance, debt transfer, fines and penalties, reduced corporate valuations and damaged reputations, the necessity for compliance throughout the supply chain has never been more important to recruitment businesses and end-hirers engaging flexible workers. With increased liability and due diligence responsibilities facing recruiters, the need for careful risk management and reliable supply chain partners has become a critical part of day-to-day business.

A distinguishable **quality mark** for agencies to demonstrate to end-hirers a commitment to **professional and ethical recruitment.**

## Who is eligible for the Charter?

The Charter is accessible to recruitment businesses who commit to a preferred supplier list (PSL/ASL) consisting exclusively of FCSA Accredited Members.

Every FCSA Accredited Member (not to be confused with self-certifying FCSA Associate Member status) has already undergone the toughest testing in the industry, by independent, regulated assessors who are accountants and lawyers - at no cost to your organisation.

Recruitment agencies that sign up to the Charter have the ability to proudly display the FCSA Supply Chain Partner logo as a distinguishable quality mark to end-hirers and contingent workers.

## Benefits for agencies

Ensuring that you only work with FCSA Accredited service providers offers many commercial advantages for your agency, including:

- Removes the complexity, time and cost required to implement a compliant PSL.
- Provides assurance that your supply chain is as robust as it can be.
- Peace of mind that any FCSA Accredited Member you choose to work with, operates at the highest standards for your benefit and protection.
- Aligns your organisation with good supply chain compliance.
- Demonstrates good recruitment practice to end-hirers.
- Supports raising the standards in recruitment and supply chain management when engaging the flexible workforce.

## Register your interest

If you would like more information about the FCSA Supply Chain Partner Charter or to register your interest, please contact: Julia Kermode, FCSA Chief Executive, T: 0203 772 8622 Email: [info@fcsa.org.uk](mailto:info@fcsa.org.uk)