

# FACTSHEET

## BAN THE BOX: NO EXCUSES IN FINANCIAL SERVICES

There are over 12 million people in the UK with a criminal record.<sup>i</sup> Stable employment is known to reduce reoffending,<sup>ii</sup> yet more than half of all businesses in the UK say that they would not recruit a person with a conviction.<sup>iii</sup> It is a common misconception that some industry regulators prohibit regulated firms from hiring people with unspent convictions. This factsheet sets out how Ban the Box can – and does - work in the financial services sector.

### What is Ban the Box?

Ban the Box calls on employers to give people with unspent convictions a fair chance to compete for jobs by removing the tick box that asks about criminal convictions from their application forms.

It does not prevent employers from asking about criminal convictions at all but rather requires that when they do, they take a risk-based approach and do not operate a blanket exclusion.

### The business benefits of Ban the Box

- 81% of employers agree employing people with convictions has helped their business.<sup>iv</sup>
- 80% of employers of people with convictions positively rate their motivation, attendance and performance.<sup>v</sup>
- 92% of employers say that taking a diverse approach to recruiting has improved their reputation.<sup>vi</sup>

### The Regulators' approaches

Financial services firms are regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA).

#### Financial Conduct Authority

The FCA does not prohibit an authorised firm from recruiting a person with a criminal record.

#### Senior Management Functions

The most senior people in a firm who perform key roles Senior Management Functions (SMF) need FCA or PRA approval before starting their roles.

If you are employing an SMF, you must obtain at least a standard DBS check of criminal records for the candidate. A conviction for a criminal offence will not automatically mean a person will be rejected. The regulators treat each candidate's application on a case-by-case basis, taking into account:



- The seriousness of, and circumstances surrounding, the offence.
- The explanation offered by the convicted person.
- The relevance of the offence to the proposed role.
- The passage of time since the offence was committed.
- Evidence of the individuals' rehabilitation.

### Certification Functions

The Certification Regime covers specific functions that are not SMF but can have a significant impact on customers and/or the firm. These roles are called Certification Functions.

Criminal records checks are not mandatory for Certification Functions but firms may choose to conduct them as part of their fitness and propriety checks.

This risk-based approach is in line with Ban the Box, which allows a firm to ask about convictions but prevents them applying a blanket ban to employing anyone with one.

### Other roles

Many roles within most financial services firms will not require regulatory approval, for example, a facilities manager or a call centre operative (although they will still need to adhere to other regulatory requirements).

Ban the Box asks employers to take a risk-based approach to recruitment, which may involve taking different approaches to different roles.

### Ban the Box in practice

BNP Paribas is an FCA-regulated multinational universal bank and financial services holdings company. Committed to inclusive recruitment and giving everyone a fair chance, they signed up to Ban the Box in 2021.

**"We're committed to helping achieve the UN Sustainable Development Goals, and strongly believe we need everyone to contribute if we're going to get there by 2030. SDG 8 calls for full and productive employment and decent work for everyone, and for us, this includes those with criminal records.**

**As a regulated organisation, we have to be able to demonstrate, without question, that the staff we hire are appropriate for their role, which is why we assess candidates on their skill set and experience. We will only ask about criminal convictions prior to an offer being made and will always offer the candidate the opportunity to provide context and clarity, before making a decision using a risk-based approach, appropriate to the role in question.**

**We have incredible future colleagues out there, and some of them might have criminal convictions, but as a Ban the Box employer, we know they have more to offer than just their past. We're much more interested in the future."**

**Tara Foy, Senior CSR Manager, BNP Paribas**

### Financial services firms who have Banned the Box<sup>vii</sup>

- Big Society Capital
- BNP Paribas
- BNP Paribas Asset Management
- Lloyds Banking Group

Between them, these four organisations have made 77,000 jobs accessible to people with convictions – a fraction of the 1.1 million people

employed by the UK financial services sector overall.<sup>viii</sup>

## Beyond Ban the Box

Removing the criminal records tick box is the single most effective way that businesses can

make their jobs more accessible to people with convictions, but there are additional actions that they should consider taking to make their roles as inclusive as possible. Explore our inclusive recruitment campaign, [Opening Doors](#), and how you can join a network of employers seeking to make 2 million jobs accessible to diverse talent.

### ENJOYED THIS CONTENT?

You might also like to:

- find out more about our [inclusive recruitment](#) work and how you can make [Ban the Box](#) work for your organisation.
- [learn more about our advisory services](#)
- [join us for one of our upcoming events](#)



Talk to one of our expert team today to learn how membership of BITC can help you take your responsible business journey further and drive lasting global change.

<sup>i</sup> [Unlock](#), 2022

<sup>ii</sup> [House of Commons Education Committee](#), 2022

<sup>iii</sup> [Progress and Prejudice](#), 2022

<sup>iv</sup> [Ministry of Justice](#), 2019

<sup>v</sup> [HR Magazine](#), 2021

<sup>vi</sup> [HR Magazine](#), 2021

<sup>vii</sup> As at March 2024

<sup>viii</sup> [HM Treasury](#), 2023