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| Title | Minutes of the Board Meeting |
| Description | Minutes of the Board meeting on 28 January 2021 |
| Owner | David Horncastle |

Meeting held via Teams**Board members present (via Teams)**

AUTHORITY

David Horncastle, Interim Chair (DHo)**Trevor Reaney (TR)****Kate Bright (KB)****Alec Wood (AW)**

EXECUTIVE

Michelle Russell, Acting Chief Executive (MR)**Stephen McCormick, Director, Licensing & Standards (SMc)****Dianne Tranmer, Director, Corporate Services (DT)****John Montague, Acting Director, Inspections & Enforcement (JM)**

SIA ATTENDEES

Fiona Wilson, Head of Strategy & Governance (FW)**Kevin Barretto, Head of Finance & Procurement (KB)****Jamie Hunt, General Counsel, Legal Services (JH)****John Neil, Chief Information Officer (JN) – Item 4****Rachael White, Head of Corporate Information (RW) – Item 5****External Observer****Caroline Shanklyn, Joint Head of Arm's Length Body Sponsorship, Home Office (HO) (CS)****Apologies****Tony Holyland, Head of Individual Standards (TH) – Item 12, 13****Secretariat****Anca Comsa, Executive Assistant CE & Board (ACo)**

Minutes

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| <p>Welcome and apologies</p> <p>1. Apologies were received from the Head of Individual Standards. The meeting was quorate.</p> <p>Declaration of interest</p> <p>2. No declarations were made.</p> <p>Agenda 1: Approval of minutes and matters arising – MB/21-22/01/1a</p> <p>3. The minutes of the previous meeting held on 12 November 2020 were agreed as an accurate record and approved by the Board.</p> <p>4. The Board noted the action log and matters arising and some were discussed:</p> <ul style="list-style-type: none"> • (October-20-01). The Director, Corporate Services confirmed procurement was underway to enable work on the development of the stakeholder engagement strategy, due in draft at the next quarterly Board in May; it was noted that incorporating information about SIA achievements in signature blocks still required a technical solution; • (Jun-20-05) (HO part of the log). The Home Office reported the Chair recruitment is due to proceed to interview soon, and would be followed in due course by a ministerial decision. The recruitment of other Authority Members is awaiting go-ahead. Members welcomed the news in relation to the Chair, and hoped the Member recruitment would also go ahead shortly. The Authority has already lost significant corporate knowledge as two members recently came to the end of their terms. The Director, Corporate Services suggested extending the period of some future members' terms from three (current) to five years, in support of continuity in governance, expertise and corporate memory and to avoid another significant recruitment exercise being needed in three years time. The Joint Head of Arm's Length Body Sponsorship, Home Office noted this ask and advised that they would include that point in the ministerial submission; as well as looking at the possibility that the third member vacancy (due on 6 November 2021), is dealt with at the same time as the existing two. | |

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| <p>5. The following actions were marked as complete:</p> <ul style="list-style-type: none"> • (November- 20-01). There were no new risks associated with the use by approved contractors of operators based overseas (licensable if UK based). This matter would continue to be monitored as part of business as usual by the Director of Licensing and Standards: should any new risk materialise the Board would be updated. • (November- 20-02). From January 2021 finance reports showed separately the position of the historical surplus and any newly generated surplus. • (November- 20-03). A summary of the response to the SIA consultation on Code of Conduct was published on the SIA website on 14 January 2021. | |
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Matters for report

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| <p>Agenda 2: Chair’s Report – MB/21-22/01/02</p> <p>6. The Chair’s report was noted, including a final note from Elizabeth France, former Chair of the SIA.</p> <p>7. The Interim Chair, David Horncastle (Member since March 2015), was delighted to chair the SIA in an interim capacity (with effect from 15 January) during the transition period to a substantive Chair being appointed. He welcomed the progress made on the Chair’s recruitment. He advised that the Authority was quorate and he was grateful to the remaining Members for stepping in to cover membership of the Board sub-committees and the other non-executive responsibilities.</p> <p>Agenda 3: Chief Executive’s Report – MB/21-12/01/03</p> <p>8. The Acting Chief Executive presented her report.</p> <p>9. She drew Members’ attention to the following:</p> <ul style="list-style-type: none"> • Equality, Diversity & Inclusion work – in addition to the existing data project led by the Director, Licensing and Standards in collecting demographic data on applicants and licence holders, other work was being progressed and she drew the Board’s attention to the description in the report of how the | |

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| <p>various high level strands related to each other and approach being taken. An internally focussed work programme focussing on employer obligations and championing internal engagement, led by the Director, Corporate Services; compliance in the SIA's regulatory functions, actions and decision making, led by the Director, Licensing and Standards and the Acting Director, Inspections and Enforcement; as well as externally, promoting better equality diversity and inclusion in the industry, led by the Acting Chief Executive with support from Members.</p> <ul style="list-style-type: none"> • Impact of Covid-19 on the business. The SIA's Crisis Management Group, led by the Director, Corporate Services, met on 21 January to manage and review the impact of the latest national lockdown. There had been a slight increase in the number and proportion of Covid-19 cases reported within the SIA's staff, none of which related to office attendance. Access to the office continued to be restricted, in line with government guidelines. The SIA continued to operate well remotely, notwithstanding the challenging circumstances and the overall impact on staff personally. The Acting Chief Executive advised that the SIA was starting to consider impact on its workforce in the longer term, constantly monitoring staff morale and wellbeing, which remained a priority. Members expressed their thanks for the way these matters continued to be managed by the Senior Leadership Team through active engagement and enhanced presence in supporting staff. • Licence application volumes – there had been an unexpected increase in licence application levels throughout December 2020 and so far in January 2021 - indicating a return to pre-Covid-19 levels, demand remaining higher than anticipated. • Code of Conduct – a dedicated project team was being set up to manage the follow on work going forward, at least over the next 6 months. The Head of Strategy and Governance advised that the focus during the next couple of months would be on agreeing an internal mandate and developing implementation options. While there had been a good response to the consultation from individuals, the SIA was keen to continue engagement with the industry, for example, through the regional networks, SIA Strategic Forum. The SIA would also need to work closely with Home Office policy colleagues. The intention was to provide an interim update | |

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| <p>report at the July Board with a more substantive decision paper in September 2021.</p> <ul style="list-style-type: none"> • Get Licensed – the Head of Strategy and Governance confirmed that the changes published on 26 January 2021 were those that had been agreed previously by the Board in 2019 and approved by the Home Office in June 2020 (following consultation with the Devolved Administrations in Scotland and Northern Ireland); there would be a further update necessary to reflect the upcoming licence linked qualification changes in April 2021. • SIA Corporate and Business Plans – the updated Corporate Plan submitted to the Home Office on 20 October 2020 had been approved. • Protect Duty - it was noted that the Home Office had confirmed that the consultation on a proposed “Protect Duty” would be published at the end of February 2021. The SIA continued to keep a close watch on this and the Manchester Arena Inquiry proceedings. <p>Agenda 3: Corporate Risks – MB/21-22/01/03</p> <p>10. There had been no new significant information security incidents within the last reporting period. Two new corporate risks were noted: one on effective Authority governance (given the chair and members vacancies) and the other on reputational risks to the SIA that may emerge from any recommendations on the regulatory framework and/or the SIA in the Manchester Arena Inquiry report; these would continue to be kept under review.</p> <p>Agenda 3a: Financial summary – MB/21-22/01/03a</p> <p>11. The Head of Finance and Procurement presented the financial summary for the last period, which was noted. The year to-date position (at the end of December 2020) resulted in a surplus of £3.8m against a mid-year forecast surplus of £2.2m.; the final reforecast exercise shows an expected outcome of £4m surplus, an increase of £2.4m on the original budget. This increase was due to higher application levels (now exceeding pre-Covid-19 figures) and increased savings and efficiencies in spend (mainly Covid-19 related). If demand keeps exceeding predictions for the next three months this will grow further. Other contributing factors</p> | |

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| <p>included an uptake in quarter 3, possibly as a result in virtual training provision, paired with a change in demand by licence holders, perhaps in keeping their options open in these uncertain times.</p> <p>12. In relation to a Home Office query, it was confirmed that this was the first year of the three-year licensing cycle in financial terms.</p> <p>13. The Head of Finance and Procurement confirmed any new surplus needed to be balanced over the full three-year cycle and any resultant surplus then going to the consolidated fund.</p> <p>14. The Head of Finance and Procurement explained that in his view it was not possible at this point to provide a long term forecast in view of the significant uncertainty which still exists and the fact we are still early in the three year cycle. The Chair said it was important to understand the dynamics of license demand; it was noted that work had recently been carried out on improved forecasting and this was being used for the 2021/22 budget.</p> <p>Agenda 3b: Projects update – MB/21-22/01/03b</p> <p>15. Members noted the projects update.</p> <p>16. Members remarked positively on the SIA’s efforts to increase data knowledge, as part of the demographic data project, looking at ways to encourage more volunteering of this type of data from licence holders. They looked forward to having sight of findings, planned for inclusion in the May quarterly projects update to the Board.</p> <p>Agenda 3c: Communications activity – MB/21-22/01/03c</p> <p>17. Members noted the communications activity in the last period.</p> <p>Agenda 3d: Chief Executive engagements – MB/21-22/01/03d</p> <p>18. This was noted.</p> <p>Agenda 4: Technology and Innovation quarterly report – MB/21-22/01/04</p> <p>19. The Chief Information Officer joined the meeting to present the technology and innovation quarterly report, which was noted.</p> | |

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| <p>20. The Chief Information Officer gave a brief update on the digital and data journey to date: with the 'stabilisation' stage now complete, the focus was placed on ensuring that the ICT strategy would allow a more flexible approach to future endeavours, subject to public spend controls and full compliance with government standards. The SIA would continue working closely with the Home Office, exploring collaborative opportunities on cross cutting issues (e.g. identity and criminality checking).</p> <p>21. The Chief Information Officer reported that the supplier (Version 1) continued to perform well. The contract had recently been extended for another year (until 17 December 2021) with performance being reviewed on a regular basis. Members asked to include a Version 1 performance section in the quarterly report going forward. (Jan-21-01)</p> <p>22. Members were pleased to note a significant decrease in ICT licensing costs, remarking on all the positives deriving from the ICT journey that commenced before 2014.</p> <p>23. Members also asked to see a summary of risks included in future ICT quarterly reports and mitigation measures in place against these. (Jan-21-02)</p> | |
| <p>Agenda 5: Performance – MB/21-22/01/05</p> | |
| <p>24. The Acting Chief Executive gave a brief introduction to the Key Performance Indicators (KPIs) quarterly report. Performance remained strong, with the majority of KPIs either met or within 5% of target. As noted in previous reports, performance against some KPIs had been directly affected by the impact of Covid-19 restrictions on the private security industry; this continued to be closely monitored.</p> <p>25. Members asked a number of questions in relation to KPI 1, specifically in relation to delays in processing more complex applications. This was largely attributed to significant third party delays in Disclosure Scotland (DS) processes and more recently to Disclosure and Barring Service (DBS) returns taking longer than usual. The Director, Licensing and Standards advised that the SIA continued to work closely with both agencies to expedite these matters; he confirmed that an internal taskforce had been set up and it was hoped that the resulting longer cases should be cleared by end of March.</p> | |

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| <p>26. Members also welcomed the report on performance against the 2020-21 Business Plan, noting good progress had been made. The Head of Strategy and Governance reported good progress in quarter 3 despite the challenges presented by Covid-19 on both the industry and the SIA.</p> <p>Agenda 6: Licensing & Standards; Quarterly report– MB/21-22/01/06</p> <p>27. The Director, Licensing and Standards presented the report, which was noted. As reported in the finance section, following a steady increase in applications over the last period, licence demand was now significantly above forecasted levels.</p> <p>28. Members asked about progress on existing vacancies. The Director, Licensing and Standards reported a start date had been confirmed for the new Head of Licensing and Service Delivery, and arrangements had been made to sift and interview for the Head of Business Standards (expected to take place by the end of February). The latter appointment would enable implementation of the re-structure of the Quality & Standards function into two separate units (individual and business standards) and work on the new Business Standards Strategy to begin.</p> <p>29. Members noted the online Northern Regional Network Event that took place on 21 January 2021, with Alec Wood in attendance. The key theme was how the industry could adapt in an unknown future and the role that the SIA played in assisting the industry to this effect; feedback on these matters was given by both the Acting Chief Executive and Members and discussed in more detail with the Director, Licensing and Standards. Members advised they should like to continue to be engaged and contribute to these events going forward. The directorate was also working towards developing a Northern Ireland network. (Jan-21-03)</p> <p>30. The main focus in terms of performance over the next quarter would be resolving licence applications affected by the Disclosure Scotland and Disclosure and Barring Service disruption or by overseas criminality checks (OCC), impacted by the closure of a large number of overseas embassies in response to Covid-19, all of which were directly impacting on KPI 1 results.</p> | |

Agenda 7: Inspections & Enforcement Quarterly report – MB/21-22/01/07

31. The Acting Director, Inspections and Enforcement presented the report, which was noted. This was the first report by the Inspections and Enforcement (I&E) Directorate which came into effect in quarter 3, created from the former Partnerships and Interventions Directorate and the Intelligence and Risk Management function (previously part of the Operations Directorate).
32. The Acting Director, Inspections and Enforcement reported that Covid-19 continued to have an impact on fieldwork activity particularly due to the impact on events and hospitality industry. The closure of the Night-Time Economy (NTE) also saw a reduction in the volume of intelligence reports received.
33. The Directorate had been dealing with a number of vacancies and had redeployed resources to manage work effectively. The Acting Director, Inspections and Enforcement advised that recruitment in these areas was progressing well.
34. The Acting Director, Inspections and Enforcement reported that the Directorate was looking at doing some work with partners, including Border Force.
35. Members remarked positively on the SIA stepping up in the intelligence area, being more proactive in identifying and analysing threat, risk, and harm at a tactical and operational level. This was ongoing work, with a strategic assessment in place to identify and monitor potential, and due to be refreshed shortly, with new expertise in this area. The Strategic Co-ordination Group was due to meet in March 2021 to do so.
36. The Acting Director, Inspections and Enforcement advised that the number of referrals to the Criminal Investigations Team continue to be at a high rate. The number of cases awaiting court was noted.
37. The number of recent cases successfully prosecuted was noted together with their different outcomes. The General Counsel reported challenges in relation to application of sentencing guidelines, which differed from court to court, a matter outside of SIA controls and raised accordingly with the courts. On a more positive note, was the more substantial sentencing on the fraud and other non PSIA offences pursued.

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| <p>Agenda 8: Audit & Risk Assurance Committee update – MB/21-22/01/08</p> <p>38. The Chair of the Audit & Risk Assurance Committee gave a brief update from the latest meeting on 20 January 2021. The session focussed on a deep dive into availability of ICT services, the internal audit plan for the next financial year (2021/22), integrity, whistleblowing policy and personal threat to staff. The Committee also considered the latest audit report from the Government Internal Audit Agency (GIAA) on progress against the 2020/21 audit plan.</p> <p>Agenda 9: HR & Remco Committee update – MB/21-22/01/09</p> <p>39. The new Chair of the HR & Remco Committee, Kate Bright gave a brief update on matters considered at the committee meeting on 27 January 2021. This included the organisational design (OD) closure report, staff welfare, diversity and inclusion. The Chair commended the work done on the development of a People Strategy led by the Director, Corporate Services; this was ongoing and the Committee was looking forward to seeing updates on progress of its implementation in due course.</p> | |

Matters for noting and decision

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| <p>Agenda 10: Business Plan (Strategic Steer) – MB/21-22/01/10</p> <p>40. The Head of Strategy and Governance presented a paper on the emerging Business Plan which was noted. She said that this was the result of an inclusive and collaborative approach and recorded her thanks to the Senior Leadership Team, particularly those on the planning team - the Head of People Services, the Chief Information Officer, the Head of Finance and Procurement and the Head of Corporate Information.</p> <p>41. The working draft would be updated following feedback from the Senior Leadership Team this week and today's Board over the next couple of weeks before sharing with Members and engaging with Home Office colleagues further on it. Staff briefing sessions were planned for mid to late February.</p> | |

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| <p>42. Members were supportive of the overall approach. They reflected on the extent to which Covid-19 circumstances would affect SIA work into the next year and what more could be done for a more proactive approach in engaging with the industry. The Director, Corporate Services said that the stakeholder strategy would be the starting point in influencing a change, both from an external and internal perspective. Members suggested the need to further build on engagement with local authorities (e.g. local government safety advisory groups) as part of the stakeholder engagement plan. The Acting Director, Inspections and Enforcement reported that the SIA was already engaging at an operational level with a range of local authorities in relation to Section 19 (power of entry and inspection on the SIA approach) of the Private Security Industry Act 2001 (PSIA).</p> <p>43. Other points related to the importance of the business standards improvement strategy and of developing and/or building on existing platforms for improving standards e.g. SIA Approved Contractor Scheme (ACS), with the SIA needing to continue to develop its wider thinking in this area.</p> <p>44. Members thought more prominence was needed than currently appears on the importance of the enforcement side of our work to the industry. The more proactive and intelligence led approach discussed at the September Strategy day was welcomed. As regards enforcement limitations and prosecution work, the SIA should continue robustly pursuing these matters within its regulatory boundaries. Home Office officials encouraged the SIA to engage with them on difficulties and limitations in this area.</p> <p>45. Members confirmed that they would like to make arrangements for a national conference in November 2021, as suggested. The role and next date for the SIA Strategic Forum would also be identified. It was suggested this may be better to take place around May, rather than in March when the new SIA Chair was expected to be in place.</p> <p>46. There was a brief reference to the review of the SIA and Home Office framework agreement. It was noted that preparation work was underway so an updated version was ready for the arrival of the new Chair. The Interim Chair asked that Members are engaged in this process. (Jan-21-04)</p> | |

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| <p>Agenda 11: Results of the review of current Enforcement Powers (scoping work) – MB/21-22/01/11</p> <p>47. The Acting Director, Inspections and Enforcement presented a paper on some work that had taken place to review some powers and potential gaps that affected the efficacy of our existing enforcement work. These limitations and consequences of these were understood and noted.</p> <p>48. The Acting Director, Inspections and Enforcement confirmed the good existing collaboration between the SIA and HMRC but limitations of this without a wider gateway (Home Office action on the information gateway noted in matters arising, Oct-15-08). He also described the good case made for the technical extension of our existing POCA confiscation powers to money laundering offences.</p> <p>49. Members were broadly supportive of the approach being taken on these and noted the next steps.</p> <p>50. Members shared the executive's caution over any Regulation of Investigatory Powers Act 2000 (RIPA) and the Investigatory Powers Act 2016 (IPA) powers, and supported the executive's proposal that further exploration of the consequences and requirements was required. (Jan-21-05)</p> <p>51. It was noted that it was important to discuss these issues further with Home Office colleagues and ensure the SIA remains focussed on core functions. A follow-on meeting would be arranged. (Jan-21-06)</p> <p>Agenda 12: Licenced Linked Qualifications, Refresher and Top up training update – MB/21-22/01/12</p> <p>52. The Director, Licensing and Standards presented a paper summarising the journey leading to the licence-linked qualification changes due to come into effect from April 2021.</p> <p>53. The SIA reviews the competency licensing requirements approximately every five years, to ensure qualifications remain relevant and proportionate.</p> <p>54. The Director, Licensing and Standards highlighted that for the first time in these reviews, the SIA was requiring refresher training for existing licence holders in critical safety areas of</p> | |

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| <p>physical intervention and terror threat awareness, a change welcomed by Members.</p> <p>55. Members asked questions in relation to the timing of the upcoming changes, to ensure no delays in implementation both in terms of supplier and operational readiness; as well as having clear, concise communication lines issued to the industry. The Director, Licensing and Standards said that he was confident that these matters were on track for delivery, pending final assurance checks.</p> <p>56. As such, new qualifications for all sectors with the exception of Close Protection (CP) were due to start from 1 April 2021. The new CP qualification will come on stream later in the year (October) to allow for trainers to upskill to deliver the new physical intervention requirement for Close Protection operatives. Top-up training requirements for existing licence holders on renewal are planned to commence in October 2021.</p> <p>Agenda 13: Option for Door Supervisors to renew as Security Guards after taking the shorter top up training – MB/21-22/01/13</p> <p>57. The Director, Licensing and Standards gave a presentation on an option for Door Supervisors to renew as Security Guards after taking the top-up refresher training qualification, both of which require Emergency First Aid at Work or equivalent (1 Day) from October 2021. An initial strategic level discussion and sharing of views was sought at this stage.</p> <p>58. Members discussed the pros and cons of either offering the option to switch, or developing the option in time for October 2021.</p> <p>59. The Chair asked for the presented slides to be shared with the Member representing the industry for feedback on both scenarios. He underlined that it was important to understand the demand in the current context as well as the impact such a change may have in in the longer term before a decision could be made. (Jan-21-07). It was noted the executive were due to consider the matter further and make a decision in February, which would come to the Board in March.</p> | |

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| <p>Agenda 14: Updates to Governance Framework and associated suite of governance documents – MB/21-22/01/14</p> <p>60. The General Counsel presented the updates to the governance framework and associated suite of documents based on Members' feedback, which were noted. These were signed off, subject to three minor points, including checking the requirements and sequencing for review and sign off of the Annual Reports and Accounts worked and were not prohibitive; and minor clarifications to the wording of the scheme of delegation and committees' quorum requirements. The General Counsel would make the updates in light of the comments made with Members content that the Acting Chief Executive check and sign those off. (Jan-21-08)</p> | |

Any other business

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| <p>Changes to SIA Audit and Risk Committee (ARAC) and HR Remuneration Committee membership (in light of interim Chair arrangements)</p> <p>61. Following the SIA Audit and Risk Committee and HR Remuneration Committee meetings in January 2021, the following changes were agreed and noted. David Horncastle, in his Interim Chair position, would no longer attend either of the committee meetings and the three remaining Members would now be on both of these, as follows:</p> <ul style="list-style-type: none"> • Audit and Risk Assurance Committee – Trevor Reaney would continue to chair, with Kate Bright and Alec Wood sitting on the Committee; • HR Remuneration Committee – Kate Bright would take on the chair (with effect from January 2021) with Alec Wood and Trevor Reaney sitting on the Committee. | |

Next meeting: 25 March 2021

Venue: Via Teams