

Minutes of the SIA Board meeting held on 28 July 2022

List of Attendees

The authority members present at this meeting were:

Heather Baily – Chair
Alec Wood – Deputy Chair
Trevor Reaney
Kate Bright
Zoë Billingham
Simon James

The executive members present at this meeting were:

Michelle Russell – Chief Executive
Paul Fullwood – Director of Inspections and Enforcement
Stephen McCormick – Director of Licensing and Standards
Natalie Benton – Director of Corporate Services
Dianne Tranmer - Director of Transformation

SIA staff in attendance at the meeting were:

Fiona Wilson – Head of Strategy and Governance
Jamie Hunt - General Counsel
Alero Harrison - Head of Communications
Simon Edwards – Transformation Programme Manager
John Hilditch – Senior Project Manager (agenda item 11)
Tony Holyland – Head of Individual Standards (agenda item 14)
Olga Turnbull – Executive Team (Secretariat)
Evie Erebor – Executive Team (Secretariat)

External observers present at this meeting were:

Shehla Husain – Deputy Director and Head of Public Protection Unit, Home Office
Anita Bailey – Head of Safeguarding ALBs, Home Office

1. Welcome, declarations of interest, approval of minutes and matters arising

Welcome and apologies

1.1 Apologies were received from the Head of Home Office Sponsorship Unit, the Head of Finance & Procurement, the Chief Information Officer, the Head of Corporate Information and the Senior Business Intelligence Analyst.

1.2 The meeting was quorate.

1.3 The Chair welcomed colleagues and new Board members: Natalie Benton and Simon James.

1.4 The Chair also welcomed the other external observers from the Home Office (the Deputy Director and Head of Public Protection Unit and the Head of Safeguarding ALBs, Home Office) to the meeting.

Declarations of interest

1.5 Simon James declared his interest as a non-executive director and chair of the Audit and Risk Assurance Committee at the Federation of Awarding Bodies.

1.6 Kate Bright noted a declaration of interest in her capacity as a licence holder and as CEO of UMBRA International Group Ltd in connection with the discussion on licence fee levels at item 4.

1.7 Shehla Husain declared her interest as the Home Office's policy lead for the Manchester Arena Inquiry Recommendation item at 11.

Matters arising and actions

1.8 The minutes of the previous meeting held on 5 May 2022 were agreed as an accurate record and approved by the Board. For action Jun-20-05, it was noted that the recruitment of new authority members is now complete although a response from the Home Office regarding the overall succession plan for the Board remains outstanding.

1.9 It was noted that a legislative opportunity for the information gateway had not come to fruition: there had been insufficient time, working to the short notice request from the Home Office, to ensure the business case on which SIA had already been working, met the required standard the Home Office needed.

Action: Home Office to provide feedback on the draft business case so that when the next legislative occurs, a fully worked up business case is ready and at the required standard. **(Jul -22-01)**

Action: Home Office to advise whether the yearly Finance Bill might be an alternative legislative vehicle for information gateway if Home Office legislation slots are no longer an option. **(Jul-22-02)**

2. Chair's report

- 2.1 The Chair presented her report. The Chair highlighted the first meeting of the new Stakeholder Forum and thanked the Head of External Communications, and her team for their preparation for that meeting. It was held on Tuesday 12 July, with the five key industry associations and the representatives or chairs of the SIA special interest groups (SIGs) that have been established this year. It focused on the concerns and issues facing front line security personnel and businesses.
- 2.2 The Chair also highlighted the National Police Chief's Council meeting held on 14th July which she attended with the Director of Inspections & Enforcement. They presented on SIA's work as the UK regulator and encouraged chief constables to continue working with SIA. An invitation to join regional networking events to encourage better joint working was received.
- 2.3 The annual review of the Board governance documents and the terms of reference for the Board and its committees was presented by the Head of Strategy & Governance, and noted by the Board. The changes proposed by the Remuneration Committee to its terms of reference were accepted, including a change of title to "The People Committee" and confirmation that the remit of that committee includes equality, diversity and inclusion matters. The Chair of the People Committee thanked the Head of Strategy & Governance for the amended terms of reference for the People Committee.

Agreed: To adopt the amended terms of reference for the People Committee.

Chief Executive's report

- 3.1 The Chief Executive presented her report, noting the contribution from Heads of Functions. The Chief Executive drew the Board's attention to the following:

Stakeholder:

- 3.2 A series of face-to-face stakeholder events with ACS security businesses as part of SIA's drive for visibility and engagement with the industry commenced. Meetings continued with the leaders of the membership bodies and individual businesses. On 28 June, SIA and the British Security Industry Association hosted a roundtable meeting of 10 CEOs and leaders of the largest businesses, in their capacity as members of the BSIA.

Strategic Issues:

- 3.3 Sports Ground Exemption: the progress made following the SIA roundtable meeting in May called with SGSA, DCMS, Home Office and policing colleagues, to move the issues and risks on the Sport Ground Exemption forward. This

included in particular the SGSA's proposals (set out in a forthcoming public consultation by SGSA) to improve oversight of the sport exemption as it applies to SGSA licensed football grounds using powers in section 13(2) of the Football Spectators Act 1989. This power enables SGSA to direct Local Authorities to introduce standard conditions into General Safety Certificates. Attention was also drawn to the DCMS Parliamentary Committee launch of an inquiry on crowd safety at major sporting events. The SIA will submit written evidence.

3.4 Public safety: a meeting with Figen Murray, the mother of Martyn Hett (victim of bombing at MA) and Nick Aldworth, a former counter terrorism officer at the Metropolitan police, on 7 June. Figen Murray also kindly provided a video interview for the recent all staff event underlining the importance of good security to ensure public safety at the events and the important role the SIA has in ensuring that is the case.

Risks:

3.5 The SIA currently has seven active corporate level risks, following creation of two corporate risks recently and closure of some others. The two new risks concerned the amendment to the existing business continuity risk to expand it to failure to contain turnover and to effectively recruit to roles, and the second one, around management of re-procurement process for our ICT systems. The Chief Executive reported that the recruitment risks are reducing as the vacancies are decreasing as the year progresses.

3.6 It was noted that the risk of failure to implement recent urgent system changes leading to connectivity failures, had been closed following the urgent and excellent work by the Head of Digital Transformation Delivery Lead and her team.

3.7 The unusual data matter from 2019 brought to SIA's attention recently. It was noted that action was taken immediately and although regarded as low risk, it was treated as a data incident and reported to the ICO. The Information Commissioner's Office was content with SIA actions and has closed their file. The ICT department's timely actions were acknowledged.

3.8 The Chief Executive confirmed that since the capital funding allocation for 2022/23 was confirmed in March (the SIA was awarded £1.5 million against a bid of £2.8 million) the risks, including consequential cyber risks, associated with this had been escalated to a corporate risk on the register. As a result, SIA was forced to replan and had been focusing on planning use of the £1.5m allocation and revising the data and digital implementation plan for 22/23 accordingly. The Home Office Sponsorship Unit is considering the matters raised by the Chief Executive in her recent meeting with the Home Office's Permanent Secretary, Matthew Rycroft to support planning for the next round of CDEL allocation.

3.9 The Chief Executive also noted that the Audit and Risk Assurance Committee was scheduled to conduct a deep dive on the re-procurement risk at its October meeting.

- 3.10 An Authority Member enquired why one of the risks relating to the Manchester Arena Inquiry report had been deescalated. This was the risk relating to the resourcing and other consequences of implementation of the wider findings and two recommendations from the Manchester Arena Inquiry and Protect Duty. The Chief Executive advised this was because the more substantial implications would not be known until Home Office made its decisions on the two monitored recommendations and Protect duty. This risk was still recorded and held at Directorate risk level. It would be reassessed once Home Office decisions were clearer.
- 3.11 An Authority Member noted their thanks for the SIA's efforts in highlighting International Security Day on 24 July.
- 3.12 Authority Members recorded their appreciation of the excellent performance of the ICT team. The Chair also recorded her appreciation for the work of the Director of Transformation, the Chief Information Officer and the Head of Digital Transformation and her team in managing and closing the systems connectivity risk.

Agreed: To note the report.

External Communications Report

- 3.13 The Head of Communications presented this paper and highlighted:
- The Online Services team implemented 84 change requests across the 5 platforms it manages. 73% of this work related to changes on GOV.UK; 4% related to changes to our licensing site (STeP).
 - Social media analytics reported a 2.5% increase from the last quarter. A listening tool was brought in to assist SIA analysis.
 - Following the successful event in Glasgow on 17th May SIA has been approached by the BBC's 'The One Show,' they are seeking to feature Op Sentry in one of their broadcasts; negotiations continue.
 - SIA continued to leverage the Home Office's #Enough campaign to push out public safety messages around countering violence against women and girls.
 - In early June, the online Welfare and Vulnerability Engagement (WAVE) training was promoted. SIA is supporting the Safer Business Network to deliver this.
- 3.14 An Authority Member noted it would be helpful for the forward look to include events that the authority members can link into (for example, International

Security Day) and to highlight those events it would be useful for them to be involved in. The Head of Communications confirmed that further coverage of prosecution cases is planned.

3.15 The Chair, echoed by Authority Members, recorded thanks to the Head of Communications for the report.

Agreed: To note the report.

4. Finance report (Q1)

4.1 The Director of Corporate Services presented the report on behalf of the Head of Finance. Points noted were:

- The reason for the additional surplus is due to a combination of licensing demand currently 6% above forecast and underspend of 4% in overall expenditure.
- The projected outcome for total income is £27.6m which is £0.4m higher than the original budget. In the first quarter, there was an increase of 6% in licence application volumes, which is just above the accepted tolerance level (5%) driven by first time applicants.
- When adjusted for the licence rebate scheme, the outcome as per the Q1 reforecast is a £2.3m deficit, this is an increase in the deficit by £36k.
- Overall expenditure is expected to increase by £0.5m and includes cost associated with delivery of the Data & Digital Strategy, client-side support, and increase in licensing costs.

4.2 The Chair enquired about assumptions in this year's budget for salary increase, and the Director of Corporate Services confirmed it was 2% with added contingency affordable up to 5%.

4.3 An Authority Member asked about the c£240k underspend on consultancy. The Director of Transformation advised some of this was due to delays in procurement and so spend deferred until later in the year: the research on public trust and confidence had been commissioned and was underway.

4.4 An Authority Member asked about the forecast on continuing rise of licensing volumes and income and whether the industry is still reporting a difficulty in recruiting. The Director of Licensing and Standards advised that big events like the Commonwealth or Olympic Games do give rise to a surge: it was difficult to predict what proportion of those people securing a licence for such events, will subsequently renew in three years' time.

4.5 It was noted and agreed by the Board that SIA intends to continue with the previously agreed proposed fee amendment of a reduction by £6 and the Chief Executive, in her capacity as Accounting Officer, confirmed she was content to support the position set out in the paper, which would also ensure fee levels were reviewed again in Q4 in line with Managing Public Money. The ALE Strategic Lead advised the Board that other Home Office ALBs were also planning fee amendments and the aim was to deal with approval of these collectively, to achieve efficiency in the process.

4.6 The ALE Strategic Lead further noted that the Accounting Officer's delegation letter for financial year 1 April 22 – 31 March 23 should be sent to the Chief Executive shortly: these have been prepared and approved by Home Office officials. She also noted that budget setting for 2023/24 is expected to start in September and conclude by January with capital bids needed by November 2022. SIA was asked to check its figures to ensure alignment with those submitted by the Home Office in the METIS system.

Agreed: To note the report

Action: Head of Finance to liaise with Home Office Finance Team to ensure Home Office figures in METIS align **(Jul-22-03)**

5. Performance Report

SIA KPI Framework 22-23, Quarter 1

5.1 The Director of Transformation presented the report on Q1 key performance indicators on behalf of the Head of Corporate Information. Points noted were:

- The roster of active licences continues to grow, reaching an all-time high of 450,074 licences held by 397,413 licence holders at the end of the quarter.
- The operational volumes are returning to a smoother monthly pattern than that seen in 2021-22 and 2020-21. We received 39,805 paid applications throughout the quarter.
- 2021-22 saw the implementation of required top-up training for door supervision, security guarding and close protection licences upon renewal.
- SIA teams have been responding to higher levels of incoming intelligence. 1,652 items of information and intelligence from members of the public, private security industry, partners and SIA staff were received this quarter, relative to 1,096 in quarter 1 of the previous financial year.
- The current forecast shows that all KPIs should be green by the year end except for KPI3 that is forecast to be amber.

5.2 An Authority Member noted the positive performance on KPI5 relating to businesses re-registering for the Approved Contractor Scheme.

5.3 An Authority Member drew attention to the excellent results, noting these were stretch targets, achieved because of hard work across the organisation. An Authority Member agreed and praised the team for the excellent report and asked whether the team used statistical process control methodology and suggested this could be of value in relation to trends and fluctuations for the KPIs.

Agreed: To note the report

Action: Corporate Information Team to explore use of statistical process control methodology for KPI analysis and reporting. **(Jul-22-04)**

Business Plan Q1 performance report

5.4. The Head of Strategy & Governance presented the report on performance against the 28 key deliverables identified in the Business Plan for 2022/23. The Board noted the report and the successful delivery against almost all the planned activities; the Chair thanked the Head of S&G.

Agreed: To note the report

6. Technology, Innovation and Change Quarterly report (Q4)

6.1 The Director of Transformation presented the report on behalf of the Chief Information Officer. Among some of the highlights she drew attention to, were:

- Following two very good months of ICT service provision across April and May, the quality of service delivered in June 2022 was overall assessed as poor, in terms of user disruption to service as a direct consequence of SIA's exit from existing data centers and managing the connectivity risks. The most acute was the impact on the telephone service immediately after the migration.
- Across a 2-week period in June ICT and Version 1 migrated SIA core services into Azure. Traffic from our STeP licensing system via a secure tunnel and into a new provider's PSN gateway.
- A number of operational issues were identified upon business opening on 20th June, including inability to access customer telephony. With very swift response from ICT team all issues have been resolved within a week.

6.2 It was noted that learning debriefs are being undertaken on both the data incident discovered in June (referred to in the Chief Executive's report) and the management of the cloud transfer and connectivity risk to identify and apply lessons.

Re-procurement of STeP contract

Paragraphs 6.3 – 6.6 are exempt from publication minutes under section 43(2) of the Freedom of Information Act, which relates to commercial interests.

Agreed: To note the report

7. Licensing and Standards forward look report

7.1 The Director of Licensing & Standards presented the quarterly report. Attention was drawn to the key risk relating to the close protection top-up training that would be a requirement for licence holders renewing from 1 October 2022. It has been identified that there was a risk of an insufficient supply of top-up training providers: the Individual Standards Team is working with awarding organisations and selected training providers to ensure capacity is developed to meet demand on time. The Director of Licensing & Standards agreed to keep Authority members posted about developments via the weekly bulletin and at the November Board.

7.2 The Director of Licensing & Standards noted that the Board would be updated through its weekly bulletin on its participation in a pan-European research project being led by the Confederation of European Security Services (CoESS).

Agreed: To note the report.

8. Inspections and Enforcement forward look report

8.1 The Director of Inspections and Enforcement presented the report, highlighting the key activities/ initiatives over the next quarter:

- Commonwealth Games (paragraphs 2-7 of report) - involved 2 years of close working with the Organising Committee (OC), West Midlands Police (WMP) and the SIA. SIA has provided guidance on licensing requirements, how tender and contract construction can support compliance with the PSIA, the benefits of using ACS accredited providers. Intelligence checks have been conducted on potential suppliers which has given the OC confidence on contract awards. The learning from this project will be taken into planning for other events.
- Festival Season (paragraphs 8-14 of report) – the C&I Team will be continuing to undertake inspection activity at the 10 outdoor festivals and events in July-September. There has been a 40% increase in inspection activity on the year 2021/22. It was noted that SIA has power to inspect but not to enter and is therefore reliant on permission of venues and festival organisers, some of which are reluctant to grant access.

- Violence Against Woman & Girls (paragraphs 15-16 of report) - SIA continues to support various industry partnership and governance arrangement in support of VAWG and will now form part of the 'NPCC Public Spaces Gold Group' alongside government/other key stakeholders.
- Sports Ground Exemption (paragraphs 17-19 of report) – the example with West Midlands Police emphasised the risks and issues associated with the sports ground exemption.

8.2 An Authority Member welcomed the developments made to professionalise the SIA's work noting the excellent collaboration of SIA with SGSA in the West Midlands area. An Authority Member noted the importance of the SIA making a case to address gaps in the SIA powers (entry powers, test purchasing powers) which affect its ability to carry out inspections work.

8.3 The Head of the Public Protection Unit noted the report and expressed thanks for the work and additional updates provided to her, given the Ministerial priorities of VAWG and spiking.

8.4 The Chair thanked the Compliance and Inspection teams, in particular the work led by the Head of Compliance & Inspections and the Regional Investigations Manager on the Commonwealth Games.

Agreed: To note the report.

9. Audit and Risk Committee update

9.1 The draft minutes from the last meeting of the Audit and Risk Committee on 13 July 2022 were noted by the Board.

9.2 The Chair of the Audit and Risk Assurance Committee confirmed that there were no specific risks to raise with the Board that had not already been discussed in other agenda items.

9.3 At its meeting on 13 July, ARAC had considered the Annual Report & Accounts (AR&A) and satisfied itself that the annual financial statements represent fairly the financial position of the organisation. ARAC had recommended to the Chief Executive, as Accounting Officer, and the Board that the report and accounts should be approved and signed off. The Board agreed this in correspondence, to facilitate laying the document prior to summer recess. It was noted that Baroness Williams had approved the AR&A given the exceptional circumstances of SIA being without a minister for part of July.

9.4 The Chair noted the gratitude of the Board to the Head of Finance and Procurement, and the team working on the AR&A.

Agreed: To note the minutes of the Audit & Risk Assurance Committee held on 13 July and to approve and sign off the Annual Report & Accounts.

10. Remuneration Committee update

- 10.1 The draft minutes from the last meeting of the Remuneration Committee on 20 July 2022 were noted by the Board. The Chair of the Remuneration Committee indicated that the minutes set out the background and range of issues relating to pay, including affordability. She emphasized that it was important to manage expectations as the proposal was a bid and not an approved position that SIA could award without approval of others in government. The Director of Corporate Services confirmed that provision for up to 5% was affordable within the budget for 2022/23. She also explained that a rise of 2% was within SIA's remit to decide without further approval; an additional 1% under the guidance required approval from the Home Office Minister and additional 2% above that (i.e. totaling 5%) required approval from both HMT and Cabinet Office. The ability to make any case for 5% in total was linked to specific cases, for example, transformation outcomes, addressing inequalities and/or efficiencies. She explained that under the guidelines, the latter two (i.e. 1%+2%) would require cashable savings to offset a pay rise above 2%. She also explained that the guidance and rules for senior staff was separate.
- 10.2 An Authority Member confirmed the discussion at the Remuneration Committee and confirmed his support for a 5% rise, with particular emphasis ensuring this is the case for lower paid staff. 5% has been awarded to other parts of the public sector and is just half of the impact of cost-of-living issues. The ALE Strategic Lead advised that a 2% pay rise had been proposed in guidance for senior civil servants (SCS) just published on 19 July; she advised no award had yet been made to Home Office staff below SCS; the Public Services Review (scheduled for 2023) would be looking for evidence of efficiency; that there were staff reductions planned across the civil service.
- 10.3 The Director of Transformation confirmed that a meeting had taken place with the PCS union on 27 July, but no figures had been discussed and the commitment was to engage further following the Board meeting and once the Board's steer had been given.
- 10.4 The Board was supportive of the Remuneration Committee's recommendation to the SIA pursuing 5% and noted the position would be reviewed by the People Committee at its October meeting.
- 10.5 The Chair of the Committee advised the Board of the further work that had been commissioned following receipt of the Diversity & Inclusion Insights Report and the GIAA report on diversity and inclusion and that this would be considered by the Committee at its next meeting. The amendment to the Committee's terms of reference, covered under agenda item 2, had noted the inclusion of diversity and

inclusion as a matter for the People Committee as it related to staff issues (as opposed to the security industry).

Agreed: To note the minutes of the Remuneration Committee held on 20 July.

Matters for strategic discussion and decision

11. Manchester Arena Inquiry

Paragraphs 11.1 – 11.24 are exempt from publication under section 35 (1) (a) of the Freedom of Information Act, which relates to information communicated to a third party in confidence.

12. Shared services proposal

Paragraphs 12.1 – 12.2 are exempt from publication under section 43(2) of the Freedom of Information Act, which relates to commercial interests.

Agreed: The Board agreed the proposal.

13. SIA response to DBS Review

Paragraphs 13.1 – 13.11 are exempt from publication under section 35 (1) (a) of the Freedom of Information Act, which relates to information communicated to a third party in confidence.

Action: An update to be provided to November's Board. **(Jul-22-06)**

Action: Ensure the briefing on the licensing process for new Board Members is opened up to the whole Board (and Home Office colleagues) focusing on how criminality information is used in reaching decisions to grant, revoke or suspend a licence. **(Jul-22-07)**

14. Show and Tell Skills Strategy

14.1 The Head of Individual Standards gave a presentation on the work that had been undertaken in establishing the Skills Board and plans for future working between the Board and SIA. It was noted that discussion at the Stakeholder

Forum on 12 July had indicated how important continuing professional development was to the industry. The SIA's role in this area is to set standards and to support the Skills Board in achieving their defined outcomes.

Agreed: The Board noted the presentation and thanked the Head of Individual Standards for his work to date.

15. Any other business

Agreed: The schedule for meetings of the Board and its committees for 2023 were agreed and signed off.

Action: The Executive Assistant Team will send appointments for these meetings. **(Jul-22-08)**

The Chair closed the meeting and thanked all for their attendance and participation.

Details of next meeting

Date: 3rd November 2022. **Venue:** London.