



Minutes of the SIA Board meeting held on 3 November 2022

List of attendees

The Authority members present at this meeting were:

Heather Baily (**HB**) – Chair
Alec Wood (**AW**) – Deputy Chair
Trevor Reaney (**TR**)
Kate Bright (**KaBr**)
Zoë Billingham (**ZB**)
Simon James (**SJ**)
Caroline Corby (**CC**)

The executive members present at this meeting were:

Michelle Russell (**MR**) – Chief Executive
Paul Fullwood (**PF**) – Director of Inspections and Enforcement
Stephen McCormick (**SM**) – Director of Licensing and Standards
Natalie Benton (**NB**) – Director of Corporate Services
Dianne Tranmer (**DT**) - Director of Transformation

SIA staff in attendance at the meeting were:

Fiona Wilson (**FW**) – Head of Strategy and Governance
Jamie Hunt (**JH**) - General Counsel
Alero Harrison (**AH**) - Head of Communications (Agenda item 4)
Kevin Barretto (**KeBa**) – Head of Finance and Procurement (Agenda item 5)
Christian Shaw (**CS**) – Senior Data Analyst (Agenda item 6 and 14)
Simon Edwards (**SE**) – Transformation Programme Manager (Agenda item 7)
Pete Easterbrook (**PE**) – Head of Criminal Enforcement (Agenda item 12)
Pedro Pestana (**PP**) – Data Analyst (Agenda item 14)
Iestyn David (**ID**) – Head of Licensing and Service Delivery (Agenda item 15)
Nick Hill (**NH**) – Research and Strategy Officer (Secretariat)

External observers present at this meeting were:

Shehla Husain (**SH**) – Deputy Director and Head of Public Protection Unit, Home Office
Anita Bailey (**AB**) – Head of Safeguarding ALBs, Home Office
Martin Spencer (**MS**) – Independent observer undertaking SIA's external board effectiveness review

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

Welcome and apologies

- 1.1 The meeting had some virtual attendees. The online attendees were Simon James, Kate Bright, Caroline Colby, Natalie Benton and Kevin Barretto.
- 1.2 There were no apologies.
- 1.3 The meeting was quorate.
- 1.4 The Chair welcomed the new Board Member, Caroline Corby.
- 1.5 The Chair welcomed the external observers from the Home Office (the Deputy Director and Head of Public Protection Unit and the Head of Safeguarding ALBs) to the meeting.
- 1.6 The Chair also welcomed Martin Spencer who is undertaking the SIA's external board effectiveness review. Hereafter the whole room introduced themselves for MS's benefit.

Declarations of interest

- 1.7 There were no declarations of interest.

Approval of minutes

- 1.8 The minutes from the previous meeting were approved.

Matters arising, actions and thanks

- 1.9 Most of the matters arising appeared on the meeting's agenda including a paper on powers (action January 21-05) and a Manchester Arena Inquiry update (action Jul-22-05).
- 1.10 Actions July 21-05 and March 22-01 to be closed: ICT risks form part of the ICT and Change reports which are submitted to the Executive Directors' Meeting. The Chair reported that in the morning of the 3rd November, the Board met, with the SIA's executive leads in attendance, to consider and discuss cyber security risks, using the National Cyber Security Centre's toolkit for boards. The Chair noted her thanks to the executive for the work done and for the morning's session.
Action (Nov-22-01): Agreement of SIA's corporate risk appetite on cyber security matters will be progressed through the Audit and Risk Assurance Committee (ARAC) (Head of Governance & Strategy).
- 1.11 Actions November 21-05 and May 22-01: there was an update at the Board strategy day in October and there will be a further one at the Board meeting in February 2023 for the Voluntary Approval Strategy.



1.12 Action Jul-22-04: the production of KPIs for 2023/24 onwards is an ongoing piece of work, as part of developing the next corporate strategy.

1.13 Actions Jul-22-06 and Jul 22-07: at the July 2022 Board Meeting three actions were agreed in relation to the Disclosure & Barring Service (DBS) review, all of which have now been completed. It was noted that the review recommendations will be considered by the DBS Board and then will go to Ministers for decision.

1.14 Action Jun-20-05: the Chair highlighted that following Authority Member, Caroline Corby's recruitment, SIA now has a full complement of non-executive directors (NEDs) with Ministerial and Home Office Sponsorship Unit (HOSU) support. The Chair thanked HOSU for their support with this.

1.15 Actions October-15-08, Jul-22-01 and Jul-22-02: As discussed in the previous meeting, the SIA needs to put forward a formal business case for new information sharing powers. The Director of Inspections and Enforcement reported that the SIA will be putting a case forward to the Home Office imminently.

Chair's report

1.16 An Authority Member asked about the event held by the International Professional Security Association (IPSA) and the National Union of Journalists. There was an appreciation that the context and utilisation of media has changed, so the roundtable called by IPSA was to discuss the current challenges and what operatives are dealing with. Whilst the meeting concentrated on how security operatives deal with paparazzi and other media at client's venues, one of IPSA's requests is for the word 'bouncer' not to be used by the media to refer to security staff. SIA shares this view and is keen to support productive discussion in this area and welcomed the proactivity of IPSA in calling the roundtable.

1.17 The Head of Strategy and Governance introduced Martin Spencer, who is undertaking the external board effectiveness review for the SIA. The review will run through November, December and January with findings presented to the Board in February. The Chair thanked Anita Bailey at HOSU for helping with sourcing an external reviewer and input to the terms of reference for the review.

2. Chief Executive's report

2.1 The Chief Executive presented her report and focused her verbal update on strategic risks, noting that SIA is agile and proactive in its management of corporate risks. The Audit & Risk Assurance Committee (ARAC) is closely monitoring three risks which fall outside of risk appetite; those three risks are all IT related. The Board will continue to receive updates on these as part of the Chair of ARAC's report to the Board.

2.2 The sports exemption risks are being managed down; the Chief Executive has been asked to give evidence on the 8th November to the DCMS Committee,

alongside the Sports Ground Safety Authority (SGSA) and the National Police Chief Council (NPCC) lead for football. It was noted that the greatest risks with the operation of the exemption were now sports outside of football; for a timely resolution of these the input of local authorities is critical: it is hoped they will attend the roundtable discussion organised for Monday 7 November which includes Home Office, DCMS, SGSA and NPCC.

2.3 The Chief Executive thanked the Director of Inspections and Enforcement, the Head of Legal Services and the Policy teams for their work on this risk and their support in preparing for the DCMS Committee hearing.

2.4 The Chief Executive highlighted the people related risk on staff capacity and capability in the SIA. She reported that recruitment to the People Services team had been progressing well in the Corporate Services Directorate; with an excellent recruitments from diverse backgrounds.

2.5 An Authority Member questioned points 33 – 35 in the report about the funding bid to the Pioneer Fund. The Chief Executive explained that SIA has made a bid to the BEIS Pioneer Fund to progress work on smart licensing. The benefits of introducing smart licences are well understood and for this reason SIA is keen to secure the requisite funding. It is recognised that the capital funding position from Home Office is bleak and so funding for this may not be available, given the economic situation and the pressures on public spending.

3. External communications forward look report

3.1 The Head of Communications presented her report. She explained that the media evaluation report demonstrated that most SIA coverage is online and in the regional media (page 4). The evaluation report cited the leading message was around SIA regulation of the private security: the next leading messages were closely related to the work of the inspection and enforcement teams' work. The Head of Communications intends to work more closely with the inspections and enforcement teams to work towards positive communication outcomes, especially on the violence against women and girls and public safety campaigns. SIA is going to produce a video to guide operatives on how to help people in vulnerable situations.

3.2 An Authority Member noted that whilst it is easy to demarcate the different audiences, it is harder to evidence the impact of communications activity. It was acknowledged that this is not easy, and most organisations that run campaigns of this nature do struggle to do this successfully; SIA should challenge itself to work on how these outcomes can be judged.

3.3 An Authority Member noted the opportunity to applaud and highlight the SIA's work and impact, citing the example of fake licences discovered on a recent inspection.

3.4 The Head of Communications acknowledged it would be beneficial, especially for security providers to enhance their ability to spot fake licences and that the team

was considering the best ways to do more work locally, particularly through social media.

3.5 The Director of Inspections and Enforcement noted that since July, operational teams have received daily communications highlighting topical information. Combined with training in social media, this is increasing visibility and enhancing SIA's profile.

3.6 It was noted that the media evaluation report contained no negative feedback for SIA (page 6). It was not yet possible to identify trends from the social media listening tool: as more data became available, it would be possible to address this.

3.7 In response to a question, the Head of External Communications confirmed that the first draft of the new external communications strategy to accompany the new strategic plan for 2023-2026 would be provided to the Chair and Chief Executive in December. The Board will have sight of this in the New Year as part of corporate and business planning processes.

3.8 The Chair highlighted the public trust and confidence research project and the steps that are being taken to consider how best to disseminate the research findings.

3.9 An Authority Member thanked the Head of Communications for the work on the report, noting that the report has improved significantly.

Action Nov-22-02: Follow up with those Authority Members who expressed views on the communications opportunities ahead, including the 20th anniversary of the creation of the SIA in 2023, and the opportunities to enhance the awareness and impact of the SIA's work through external communications (Head of Communications).

3.10 The Board noted its thanks to the Head of External Communications and her team for the progress made.

4. Finance report Q2

4.1 The Head of Finance and Procurement presented his finance paper. He summarised that the Q2 re-forecasting indicates SIA is near/on track for the original estimated deficit of £2.1 million for this financial year (with only a £0.1m variation at this stage). The position is based on figures from the end of September, half year point. He confirmed that the November actuals are currently in line with projected income and expenditure. In terms of the capital allocation from the Home Office, whilst only £100k of invoices have been paid to date, contractual commitments for the remainder of the £1.5m capital allocation were in place, and his assessment based on briefings by the ICT team was the SIA were on track to spend the full allocation of £1.5m.

4.2 An Authority Member asked about the reliability of demand forecasting for the rest of the year, given the spike in applications around the time of the Commonwealth Games. The Head of Finance and Procurement confirmed that there is a high level of confidence that outturn will be within the forecast demand tolerance

variation. A potential cause of further increased demand was the rise in people taking second jobs due to the impact of the current economic situation. In response to a question, the Head of Finance and Procurement confirmed that seasonality was incorporated in the forecast demand model.

4.3 The Board discussed the capital allocation of £1.5m for 2022/23. It was noted that as SIA's capital bid to HOSU had been for £2.8m, and a prioritisation exercise had been undertaken to rationalise spend in line with budget once the lower amount was confirmed. The STeP integration is a key piece of work this year, with the majority completed in this financial year and some in 23/24, ahead of the change freeze required due to the IT procurement project. The procurement timetable, combined with the need to prioritise mitigation of the cloud services risks in Q1 and 2, had put SIA in a position where the STeP integration work was being undertaken in a sequential and incremental manner.

4.4 HOSU's Head of Safeguarding ALBs recognised the efforts of the SIA in reprioritising and anticipating the budgetary requirements for 23/24. The financial position was difficult, and the Home Office was awaiting the Chancellor's autumn statement on 17 November. The Home Office would be asking all ALBs to submit a three-year forward look for capital expenditure, noting the risks posed by financial constraints and offering clear and full explanations of the benefits to be derived from the investment to help their discussions within Home Office and with the Treasury. The Head of Safeguarding ALBs also noted the importance of the upcoming financial forecasting and the need to ensure accuracy in the period 8 position presented to Treasury. Requests for additional capital funding in 2022/23 would be considered on a case-by-case basis.

4.5 An Authority Member queried what would happen if little or no capital funding were forthcoming, and what latitude there was for reclassifying revenue funds for capital use. The Head of Finance and Procurement confirmed that this would require discussion with Home Office, HMT and NAO, with the latter requiring consistency of classification treatment. It was also noted that use of revenue for this purpose would affect fee levels.

4.6 The Chief Executive welcomed the Home Office's plan for a three-year planning horizon for capital bids and looked forward to continuing to collaborate with HOSU on managing the risks around the SIA's IT and procurement.

4.7 The Head of Safeguarding ALBs reported that Home Office progression of the SIA's fee review reduction is progressing. Approval is required by the Minister and the Legal Team to secure the secondary legislation.

4.8 The Chair noted her thanks to the Head of Finance and Procurement and to the Head of Safeguarding ALBs for the constructive and open discussion on financial matters.

5. Performance Report and Business Plan

5.1 The Senior Data Analyst presented the KPI dashboard, noting that all but one is meeting or exceeding the target.

5.2 On KPI1(a), an Authority Member noted the notably lower responsiveness of Disclosure Scotland checks (50% within 25 working days) compared to 92% for DBS and 80% for Access Northern Ireland. It was acknowledged that SIA has had no control over this and had little success in influencing an improvement in the situation. It was noted that there was little prospect of an improvement in the short-term.

5.3 The improvement in successful prosecutions (KPI 8) was noted, moving the year-to-date position from 67% (below target) to 89% (above target).

5.4 An Authority Member noted that the strong performance against KPIs did not mean the KPIs were not stretching; and praised the executive for achieving such good mid-year results. It was noted that three years ago the KPI's were radically different and recalled the challenges discussed in setting meaningful KPIs.

5.5 The Head of Safeguarding ALBs advised that the Minister will welcome the SIA setting challenging KPIs and noted that some ALBs came under scrutiny for theirs last year. She advised that setting the context of previous, current and revised KPIs would be beneficial when presenting the 2023/24 business plan.

5.6 The Chair noted the legible and comprehensive report and thanked the Senior Data Analyst for his work on it and the presentation.

5.7 The Head of Strategy and Governance presented the report on progress of business plan deliverables. There is a greater number rated amber compared to Q1 with a common cause being vacant key posts. Prioritising filling these vacancies should enable the actions to be delivered by year end. This will be tracked and considered as part of 23/24 planning.

5.8 The layout of the report was noted as clear and easy-to-follow and the Board asked that this be maintained.

6. Technology and change quarterly report (Q2)

6.1 The Transformation Programme Manager summarised the presentation and plan. It was noted that the new Transformation Programme dashboard shared with the Board is now presented to the Executive Directors' Meeting and to the Board each quarter. These are also scrutinised in the separate Programme Board, chaired by the Director of Transformation. The focus in Director and Board reports will be on those projects where issues have been identified (rated amber or red). The Programme Manager confirmed that Directors had requested further improvements to the report including separate RAG ratings for risks, finances and delivery progress. A few more requests were made by the Board.

6.2 Authority Members also asked for better clarification in Board updates of the position on management of interdependencies in some of these projects where they crossed oversight due to their nature between the People Committee and the ARAC.

6.3 In response to a question, the Director of Transformation advised the Board that should there be a data breach in the common data platform work, the primary liability would be the SIA as it is the data controller, although the IT contractor would be the data processor and have some responsibilities.

6.4 The Chair acknowledged the work being done and its complexities.

Action Nov-22-03: Future reports to a) clarify reporting lines to ARAC and/or People Committee on programme interdependencies in future reports; b) include RAG ratings for risk and finance, alongside delivery progress; c) provide brief description of each project in non-technical terms; d) ensure acronyms are explained and minimise use of technical language in report (Transformation Programme Manager)

7. Licensing and Standards forward look report

7.1 The Board was advised that GIAA audit on business standards was yet to be finalised and reported on: the management team had several actions in hand, and this needed to be reflected in the report. The report will be presented to ARAC at its January 2023 meeting.

7.2 An Authority Member queried the status of the chatbox initiative in the contact strategy as critical in light of earlier discussions about rationalising IT spend as a result of capital constraints.

Action Nov-22-04: Clarify position with Head of Licensing and Service Delivery and Transformation Programme Manager for the status of chatbox initiative (Director of Licensing and Standards to check)

8. Inspections and Enforcement forward look report

8.1 Inspection work has increased dramatically and will continue to evolve over the coming months: the aim is to harmonise how inspections and investigations are carried out across the UK and to share feedback from inspections more quickly. Authority Members were impressed with the increased level of inspection activity this year, including the breadth of locations covered. Given the significant level of investment in this area, future information about productivity and the outcomes being derived from the investment would be welcome.

8.2 An Authority Member asked whether some police forces are more collaborative than others; the Director noted that SIA needs to continue to raise awareness with police forces across the UK, recognising private security matters are not always a priority for forces.

8.3 The Director of Inspections and Enforcement noted that progress on recruitment to new vacancies had been successful. The Head of Criminal Investigations had worked on the development of a brochure to help with recruitment in this area, highlighting the value of the work undertaken by the SIA.

8.4 The Chair shared her thanks for the comprehensive report.

Action Nov-22-05: More detailed information about investigation productivity and outcomes in the next report (Director of Inspections and Enforcement)

9. ARAC update

9.1 The Chair of the ARAC updated the Board on the recent meeting including reporting on the deep dive that had been undertaken on the IT procurement risk.

9.2 Looking forward, ARAC would conduct its annual effectiveness review using an external reviewer. SIA was exploring options, including using the NAO's team.

9.3 The Head of Safeguarding ALBs reminded the Board about next year's Public Body Review and that this would also provide some external scrutiny on SIA governance and effectiveness.

10. People Committee update

10.1 The Chair of the People Committee updated the Board on the recent meeting and commended the staff members who had produced high quality papers for the Committee which dealt with some difficult and complex issues including pay.

10.2 Pay for non-SCS staff was discussed in a very articulate paper which set out options, the rationale for those options and enabled the People Committee to reach a decision. The business case has since been updated and submitted to the Home Office and awaits Ministerial decision. The Head of Safeguarding ALBs noted the revised business case was comprehensive and sensible.

10.3 The Chair of the People Committee emphasised that whilst SIA must operate within the rules of the Home Office and the Cabinet Office, it is vital to demonstrate to staff that decisions are being made to protect their best interests, to ensure some increases in pay and to protect those at the lower pay bands.

10.4 Besides pay, the Committee also considered the updated organisation design guidance, the proposed themes for the People Strategy and actions to support staff amidst the cost-of-living crisis.

10.5 It was noted that the revised People Strategy is an interim step and will be reviewed again after 18 months. The organisation design guidance had been subject to extensive legal review.

10.6 The People Services Team is approaching almost full complement, and this is enabling wider business progress in many areas. The organisation continues to have

a material number of employee relations cases, partly due to below complement if HR business partners until now and partly because of the complexity of a couple of them requiring significant resource and time to resolve. There are no particular trends across the employee relations cases to note. Numbers should drop with the onboarding of the new HR business partners.

10.7 The Chair thanked the Director of Corporate Services and the HR team for their work.

11. Powers Paper – summary business case on RIPA/IPA

11.1 The Head of Criminal Investigations took the Board through a presentation on additional powers on RIPA/IPA being sought by SIA: the Board had agreed this in principle and the detailed business case was now ready for submission to the Home Office. Authority Members were unanimously supportive of requesting and acquiring the additional powers, noting the benefits they would bring to SIA's purpose of public protection and recognising that not having them was hampering effective working and outcomes.

11.2 The Deputy Director Head of Public Protection Unit noted the case put forward and confirmed that she would be supportive if the SIA case meets the threshold set by the Home Office's RIPA team. The Head of Safeguarding ALBs noted the need for the case to be clear on safeguarding outcomes and governance – two areas on which Home Office had itself been challenged.

12. Manchester Arena Inquiry (MAI) recommendations update

12.1 SIA is close to formally submitting the two detailed business cases to the Home Office for implementation of the monitored recommendations (MR7 and MR8).

12.2 For MR7, the proposals include various exemptions to ensure the proposals are proportionate and these are included as part of the regulatory impact assessment submitted. It was noted by the Director of Inspections and Enforcement that the licensing infrastructure already exists to support the implementation of this recommendation reducing SIA resource implications.

12.3 MR8 is more complicated. The SIA has developed a robust case in its view; however the Home Office impact assessments are awaited. The request of the Home Office was the business case be submitted without a final impact assessment. The Director confirmed other options had been included should the recommendations be rejected by Home Office Ministers.

12.4 The Deputy Director and Head of Public Protection Unit welcomed the SIA work on this and confirmed formal advice would be put to Ministers for their decision once the cases had been submitted.

12.5 The next volume of the Manchester Arena Inquiry (MAI) was published during the meeting at 2:30pm, on 3rd November 2022 and it was reported that it contained two further recommendations for the SIA's attention (140 and 141).

13. Licence applicants protected characteristic data

13.1 The Board noted the excellent and interesting paper and the progress made in this area. The Board also noted the imminent GIAA audit on public sector equality duties compliance which this would feature in. As well as ensuring accurate data was obtained and analysed, equally important was how the data was used in decisions and on improvements.

Action Nov-22-06: A further data update and on progress on use of the data to be given to the May 2023 Board and updates on the publication of the data (Director of Licensing and Standards).

14. Annual customer satisfaction survey results presentation

14.1 The Head of Licensing and Service Delivery presented the results of the annual survey, noting they are broadly in line with 2019's results although less positive on renewals, largely tied to the new training requirements. There was also an acknowledgement that the use of electronic documents (rather than the physical submissions required on new applications at the Post Office) resulted in more positive feedback. The Head of Licensing and Service Delivery noted that the SIA compares well to DBS who are the top scorers on national service delivery.

14.2 Authority Members noted there was an opportunity to address some misconceptions about licensing processes identified through the research when publicising the findings and for reinforcing steps taken by SIA to act on feedback previously received ("you said, we did" approach). Implementation of the Contact Strategy and introduction of the business support team were both means of dealing with some of the points raised in the survey.

15. Any other business

15.1 No other business was raised.

15.2 Next meeting is the 2nd of February 2023.