

Title	Minutes of the Board Meeting
Description	Minutes of the Board meeting on 02 February 2023
Owner	Heather Baily
Agenda reference	01a
Meeting date	23 March 2023

This paper invites the Board to:

Approve these minutes.

Board members wishing to request clarification should contact the Chair, Head of Strategy & Governance and where appropriate, the relevant Director. Material responses to the requests will normally be circulated to all Board members prior to, or at, the Board meeting if helpful.

Freedom of information:

All Board minutes will be published on the SIA website unless exempted under the Freedom of Information Act 2000.

For completion by the author:

Should this paper be considered for exemption under freedom of information? **Yes in part**

- **law enforcement/investigations – in relation to live investigations eg paragraph 3.4**
- **procurement commercial sensitivity – para 9.2**

Minutes of the SIA Board meeting held on 02 February 2023

List of attendees

The Authority members present at this meeting were:

Heather Baily (**HB**) – 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 (**NaBe**) – 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
Kevin Barretto (**KeBa**) – Head of Finance and Procurement
Nick Banks (**NiBa**) – Senior Manager of Licensing and Decisions (Agenda item 3)
Alero Harrison (**AH**) - Head of Communications (Agenda item 4)
Christian Shaw (**CS**) – Senior Data Analyst (Agenda items 7 and 8)
Sophie Hillsden (**SH**) – Interim Transformation Lead (Agenda item 9)
Mark Burtonwood (**MB**) – Programme Manager for Business Standards (Agenda item 12)
Kirsty Tagg (**KT**) – Violence Against Women and Girls (Agenda item 17)
Nick Hill (**NH**) – Governance Manager (Secretariat)

External observers present at this meeting were:

Anita Bailey (**AB**) – ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship

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

Welcome and Apologies

- 1.1 The meeting had no virtual attendees.
- 1.2 There were apologies from Alec Wood, Authority Member and Shehla Husain, Home Office.
- 1.3 The meeting was quorate.
- 1.4 The Chair welcomed the external observer from the Home Office (The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship)

Declarations of Interest

- 1.5 Kate Bright declared a matter of interest as a member of the private security industry in reference to the Voluntary Approval Strategy
- 1.6 Zoe Bellingham declared a matter of interest in reference to the Angiolini Inquiry as an expert member on the Inquiry.

Approval of Minutes

- 1.7 The minutes were approved.

Matters arising, actions and thanks.

- 1.8 Most of the matters arising appeared on the meeting's agenda.
- 1.9 Action November 22-02 (1): Measuring the impact of communications in delivering the outcomes of strategic priorities. There will be an update at the Board Strategy session on the 8th of February 2023.
- 1.10 Action November 22-02 (2): Wider approach to communications to be closed.
- 1.11 Action November 22-03: Transformation's governance regime was addressed and to be closed.
- 1.12 Action November 22-04: The Chatbox function for service delivery has been rescheduled until July 2023. This will be picked up at November 2023 Board.
- 1.13 Action November 22-05: Inspections and Enforcement's productivity is to be picked up in the Director of Inspection and Enforcement's forward look. Closed.
- 1.14 Action October-15-08, July-22-01, July-22-02: A business case was submitted on 9th November 2022 for information sharing with HMRC and SIA is awaiting an update. The Director of Inspections and Enforcement confirmed that the Home Office is fully supportive of this. Agreed item to be kept open.
- 1.15 The Chair thanked the Executive Assistant to the Chief Executive for her hard work in preparing for the Board meeting given the number of items and papers this meeting.

2. Chair's Report

- 2.1** The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship confirmed that the outcome of the DBS Review, which included examining levels of DBS checks carried out for SIA licensing, had not been finalised. Policy colleagues were due to meet the lead reviewer to check the terms of reference had been fulfilled prior to the report being submitted to the Minister.
- 2.2** The Board Effectiveness review has seen a slippage in the interviews; a report will be shared with the Chair in February.

Action Feb-23-01: Board to be updated on the Board Effectiveness Review in March 2023

- 2.3** The Chief Executive highlighted the equality, diversity and inclusion work that will be led through a new executive EDI committee. Following a discussion in the morning, the Chair confirmed that an Authority Member will take up the offer of an observer role on rotation to share this responsibility.

Action Feb-23-02: Final details of Authority Member observer to be confirmed for the new Executive led equality, diversity, and inclusion (EDI) committee and agreed at Board in March 2023.

3. Chief Executive's Report

- 3.1** The Chief Executive highlighted that since the paper had been submitted, she had received informal confirmation from Home Office officials of Ministerial approval of the SIA pay award case that had been submitted in October 2022. The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship confirmed that this allowed the SIA to proceed to negotiations with the PCS union. The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship restated her apology for the late decision and noted that formal apologies would be sent from the Home Office Sponsorship Unit (HOSU) and Home Office Human Resources.
- 3.2** The Chief Executive updated on the last meeting on the management of the sports ground exemption and meetings the SIA had called involving SIA, the Sports Ground Safety Authority, Home Office and the Department for Digital, Cultural, Media and Sport (DCMS). The agreement reached was for DCMS to replicate the approach taken by SGSA with football in other sports and adapt the SGSA published guidance. The intention is to know for the SIA to de-escalate the strategic risk on the register. The Chair and the Chief Executive thanked the Director of Inspections and Enforcement and

General Counsel and their teams for the work done to achieve a good resolution.

- 3.3** The Chief Executive highlighted that she had recently written to the whole organisation about the impact of wider public events including the conduct of former police officer David Carrick and the Brixton Academy events, highlighting the critical role that security plays in public safety. She had urged confidence in robust SIA regulatory decisions including the SIA checks that ensure licence holders are fit to hold office, as well as the importance of SIA officers' own behaviour and the need to have adequate employment checks for its staff.
- 3.4** The Director of Inspections and Enforcement reported that the SIA had opened its own investigation enquiries following the incident at the Brixton Academy and this was working in collaboration with the Metropolitan Police and other agencies. The Director advised that had the company in question not been a member of ACS, the SIA would have had little powers to do this. This highlights the importance of the proposal on business licensing submitted to the Home Office and the need to ensure the SIA as regulator has appropriate powers to act.

Text from paragraphs 3.4 is 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.

- 3.5** These recent events also highlighted the importance of SIA work on licensing decisions. The Senior Manager, Decisions in Licensing and Service Delivery provided assurance that since August 2021 reviews of licence applications (new and renewals) have taken place where the criminality check highlights any sexual offences. Almost 800 reviews have been undertaken with issues checked through use of the SIA Intelligence team, Police National Database, and police forces, albeit data sharing was not uniform across all forces.
- 3.6** An Authority Member asked for assurance about the review process and the principles and criteria used when undertaking them. The Senior Manager, Decisions in Licensing and Service Delivery explained how this worked and that the panel includes input from the Legal team. Any escalations are taken to the Director of Licensing and Standards, who may consult with the Director of Inspections and Enforcement.
- 3.7** Three different aspects which were highlighted were:
- 3.7.1** The criteria, level of checks and information sought and relied on to enable the SIA to be able to make robust licensing decisions. The decisions to be made by the Board going forward on this would be informed by recommendations awaited from the Home Office DBS Review.
- 3.7.2** Levels of assurance on the current processes which came in in August 2021.
- 3.7.3** The level of assurances that can be provided to the Board on the decisions made prior to the new procedures introduced in 2021 and risks associated with these.

3.8 It was acknowledged that particular risks lie in applications processed between February 2020 and August 2021, given the three-year validity of licences and that the new review process has been in place since August 2021. It was agreed that the external environment and public expectations and standards have changed over the years including 2020. There was a greater public focus on identifying and managing risks and steps that can be taken to prevent abuse, particularly against women and girls by those in positions of trust and authority they may turn to for safety. It was agreed that the risks around these issues needed to be discussed further and that the appropriate place to do that was at the Board rather than the Audit and Risk Assurance Committee given its importance to SIA's purpose of public protection.

Action Feb-23-03: Follow up Board discussion at the next quarterly meeting in May supported by a paper from the Director of Licensing and Service Delivery and his team setting out the assurances in place, details of the new review process, the nature and size of the risk covering decisions made in February 2020-August 2021, adequacy of review process in current environment and the impact of using other intelligence sources.

Action Feb-23-04: The Director of Licensing and Service Delivery and Senior Manager to carry out appropriate audits of the decisions made from February 2020 - August 2021, and/or other actions to ensure adequate assurance was in place both on decisions made before and after August 2021.

3.9 An Authority Member questioned the steps undertaken by SIA as an employer. It was noted that the usual government pre-employment checks are undertaken on all staff and that at January's People Committee, the executive had highlighted some issues and using additional vetting sources (e.g. College of Policing lists) for specific roles was being further investigated. This will be considered again by the People Committee at its next meeting in April.

3.10 An Authority Member acknowledged the progress made against risk 1758 on SIA People capacity and capability, which arose due to the number of roles to be recruited to 22/23 business plan; however, he questioned whether the risk now adequately reflected other higher risks relating to pay and cost of living drivers and asked the executive to review the risk and rating.

Action Feb-23-05: Director of Corporate Services to review the People related strategic risk to ensure it reflects all issues adequately

3.11 Returning to the Chief Executive's report, an Authority Member acknowledged the higher volume of licence applications that had been processed and asked what was driving this. The Senior Data Analyst informed the Board that in a recent survey, 13% of applications cited the cost-of-living crisis as their primary reason for applying for a licence so they

could secure a second job. The intention was to track this through further surveys.

4. External Communications Forward Look Update

- 4.1** From August until November 2022 much of the public safety campaign comms involved supporting the Inspections and Enforcement teams, particularly on violence against women and girls, with two videos launched combining over 42,000 views. Further engagement was seen with an end of year message from the Chair and Chief Executive resulting in 218,000 audience opportunities.
- 4.2** The Head of External Communications confirmed that the communications strategy was to be discussed on 8th February at the Board strategy session. Operation Sentry events will begin in March, a podcast for International Women's Day on the 8th of March is being planned, the Chief Executive is speaking at an IPSA (International Professional Security Association) event, the planning is beginning for strategic communications for the Voluntary Approval Scheme work, the skills summit is taking place in June and a national conference in July.
- 4.3** An Authority Member asked about progress on a listening tool to help track and measure our external communications. The Head of External Communications stated that staff resource constraints have hampered progress; however, an additional resource is being recruited to allow for fuller analysis.

5. Finance report/forecast

- 5.1** The Head of Finance and Procurement introduced the finance paper. He described the current financial position as sound and reported that the deficit is lower than estimated as a result of a higher number of licence applications and the associated costs in Q3. The SIA has been given an annual capital delegation of £1.68 million for this financial year; currently £700k has been spent with the rest committed and allocated to current work. Two reasons had caused planned spending to be pushed back to this quarter: the urgent CIVET work completed in Q1 and Q2 and the impact of carrying out the complete reprofiling exercise because the capital allocation confirmed was lower than the bid submitted. The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship stated her thanks to the Head of Finance and Procurement for keeping the Home Office informed on spend profiles and the work in monitoring spend against capital allocation.
- 5.2** The Head of Finance and Procurement reported that the Annual Fee Review for 2023 will be conducted in April and May, following the end of the current financial year and will involve Home Office economists. In relation to the implementation of the 2022 fee review, the ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship noted that the statutory instrument to amend the fee is due to be laid in Parliament on 24th February; SIA and Home Office need to liaise to ensure communications are aligned. The Chairs thanked both the Head of Finance and Procurement and the ALE

Strategic Lead, Head of Safeguarding and DBS Sponsorship for their work on implementing the 2022 fee review.

6. Emerging Budget 2023/24

- 6.1** The Head of Finance and Procurement introduced this item, noting that 2023-24 was the first of the three-year cycle and that SIA needed to break even financially over those three years. It was also noted that the historical surplus rebate scheme would cease in 2025-26, requiring SIA to deliver efficiencies to maintain the sub-£200 fee. Work was underway to identify and deliver efficiencies.
- 6.2** The Head of Finance and Procurement confirmed the budget was based on the central modelling forecast and assumptions used on pay were for 8% over three years, profiled as 2+3+3. This assumption was challenged by Authority Members who stated a preference for a higher percentage increase earlier in the three-year cycle, given the cost-of-living crisis and below-inflation pay award for the current year. It was explained in response that the SIA had to work within the guidelines on pay set by the Cabinet Office.

Action Feb 23-06: The rationale for the pay award assumptions would be discussed with Chair of People Committee by the Director of Corporate Services.

- 6.3** The Chief Executive noted that the proposed 2022 fee reduction was only possible due to steps taken on efficiency already. The £6 reduction represented a 3% efficiency. It was noted that the new IT managed service contract could potentially deliver efficiency savings; this would only be known once the bids had been reviewed and this would be fed into the final budget to be agreed by the Board in March. The Chief Executive stated that the budget scrutiny sessions with the Executive Directors are ongoing and reassured the Board that longer-term financial view is being developed in parallel with an efficiencies plan, which reflects future savings on estates costs and efficiencies which should materialize from the new target operating model work.
- 6.4** It was noted that the Home Office had provided an initial indication of the capital allocation for 2023-24 – this was £1.5m - £100k less than the bid. The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship was confident of confirming a position for 2023-24 shortly but noted that the 2024-26 position was not confirmed, with 2025-26 being completely unclear as this was for a different spending review period and would follow the next general election.

7. Strategic plan update and emerging business plan

- 7.1** The Head of Strategy and Governance introduced the papers confirming that the strategic plan centred on the strategic themes as developed with the Board in the autumn. The content of the strategy reflects the

stakeholder strategy, the outcomes from the public trust and confidence research and the priorities agreed with the Stakeholder Forum. A draft had been circulated to Board members and comments received would be incorporated into the next version, due for circulation in the week of 6 February. The Head of Strategy and Governance noted that HOSU colleagues had been briefed on the strategy, annual business plan and KPIs in January. The Head of Strategy and Governance ensured a collaborative approach was taken over the three years to capture all activities, budgets, and resources. Once the corporate strategy work has been completed for March 2023, the work will be completed on the business plan.

- 7.2** An Authority Member asked the Head of Strategy and Governance to consider the previous discussion on sexual offences in the context of the content under improving individual standards. They also highlighted the need to be clear about how the review of the Voluntary Approval Scheme works and the benefits of the ACS relate and are reflected under the business standards theme. It was also suggested that the case for SIA support for Business licensing and modernisation using smart licences needed to be stronger.
- 7.3** An Authority Member questioned whether all that was listed in the first-year business plan was realistic and achievable. The Head of Strategy and Governance noted that the same concern had been the focus of the most recent scrutiny sessions with Directors.

8. Performance Report

- 8.1** The Senior Data Analyst provided an update on the KPI performance, providing an update to the papers that at the end of Q2 there were £180k of efficiencies, and at the end of Q3 they were £410k with a further £70k to realise in the final quarter; so all on track.
- 8.2** The Head of Strategy and Governance presented the Q3 report on progress against the business plan. She noted that business planning activities not delivered were being rolled forward or stopped to resource other priorities.

9. Technology and change quarterly report

- 9.1** The Director of Transformation introduced the reports which were noted. The Interim Transformation Lead provided an update on the procurement of digital services, where the current contract expires in December 2023.

9.2

Paragraph 9.2 is exempt from publication under section 43(2) of the Freedom of Information Act, which relates to commercial interests.

- 9.3** The Director of Transformation explained that the Data and Digital Strategy differs from the corporate strategy timeframes with current spending approval in place until March 2024. The revised Data and Digital Strategy, the procurement outcome and the spending approvals from Home Office required will be brought to the May Board meeting.

Action Feb-23-07: The updated data and digital strategy, the procurement outcome update and results of the spending approval from Home Office will be brought to the May 2023 Board.

- 9.4** An Authority Member asked about the progress on smart licensing and the Interim Transformation Lead confirmed this is in the capital bid for 24-25 with development work due to start in 23-24.

10. Licensing and Standards forward look report

- 10.1** The Director of Licensing and Standards introduced the forward look report. An Authority Member suggested that the Front-Line Licence Holder Special Interest Group could provide insight into the reasons people have for applying for a licence.
- 10.2** The Director of Licensing and Standards confirmed that a change in approach is being looked at for the way in which the customer satisfaction calculation is done, with more surveys on how people interact with our systems.

11. The Voluntary Approval Strategy (VAS)

- 11.1** The Director of Licensing and Standards introduced the paper on the VAS. It was explained that continual improvements are being made to the existing Approved Contractor Scheme (ACS), whilst this strategy is being developed. This work is also being conducted with knowledge that the Home Office decision is awaited on business licensing as a result of the Manchester Arena Inquiry recommendations– the outcome of that is pertinent to this work; either the result will mean the new scheme will be stand alone or will need to marry up with business licensing. The Programme Manager noted that ACS needed to change if business licensing was not implemented.
- 11.2** Authority Members stressed the need to understand how the new strategy would better support public protection; how it was different from the current ACS; how it would complement or feed into business licensing if approved; the opportunities and constraints presented by the Private Security Industry Act 2001; and the financial and staffing implications of the new strategy. In response to a question, the Director of Licensing and Standards advised that the new strategy proposed a scheme that could go beyond in voluntary quality standards terms what would be achieved

through baseline core business licensing and so could be complementary to mandatory standards of across the board business licensing.

11.3 The Chief Executive advised that if business licensing is not accepted, there will clearly still be constraints in the new scheme due to its voluntary nature; however, she would expect the final scheme design to provide better assurances about any company within the scheme.

11.4 The Director of Licensing and Standards explained that the biggest difference between the schemes is that ACS is a holistic quality based scheme whereas the new VAS would be about service delivery for those who buy and rely upon security. He and the team will present this at the April strategy session, and he suggested inviting professionals from the industry to help explain the differences.

11.5 In response to a question, the ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship advised the Chair that she believed no ministerial approval would be required for changes to the voluntary scheme however it would be wise and advised for the Minister to be brought along with the proposed changes.

11.6 An Authority Member endorsed the thrust towards a minimum quality standard for public safety such as creating the clear criteria on public protection a supplier should meet and stated that getting more details on what that looked like in practice would help understanding. They also asked for greater specificity on key milestones and timelines for the future development towards full launch and delivery in 2025/26 acknowledging the significance of this work.

Action Feb-23-08: The Director of Licensing and Standards and team to ensure points raised by the Board including on public protection improvements and resourcing are addressed when this item is presented for discussion in the April strategy session and for formal sign-off at the May Board meeting.

12. Inspections and Enforcement Forward Look Report

12.1 The Director of Inspections and Enforcement highlighted paragraph 19 of his report which highlighted the work ongoing to secure additional powers for the work of the teams in the Inspections and Enforcement area. The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship encouraged SIA to continue to engage with the policy team and the Home Office staff leading on Regulation of Investigatory Act powers – she advised her understanding that even if agreed in principle there was currently no legislative vehicle in which this can be carried forward.

12.2 The Director also advised that through the recommendations of Manchester, it is the SIA's ambition to ensure the SIA has powers to better act to protect the public. The case of Brixton highlights the need for this. The Chair acknowledged this stating she was aware that the SIA is constrained in its effectiveness and impact as a result of some limitations to

it powers.

13. ARAC Update

- 13.1** No issues were raised in relation to the last meeting and draft minutes reported.

14. People Committee

- 14.1** No issues were raised in relation to the last meeting and draft minutes. The Chair of the People Committee highlighted that a substantive discussion was held around equality, diversity, and inclusion which would also inform the Board's own discussion scheduled for March 2023.

15. People Strategy

- 15.1** The Director of Corporate Services introduced the paper on the People Strategy, which had been developed with People Committee scrutiny and oversight. She had worked with the Head of Strategy and Governance to ensure it aligned with the new corporate strategy and annual business plan. The Board were asked to note the final version of the People Strategy. The Chair thanked the Director of Corporate Services for her and her team's hard work and the value it adds.

16. Public Bodies Review

- 16.1** The Director of Corporate Services reminded the Board that SIA is due to be subject to a Public Bodies Review in 2023/24. In preparation for this it had completed the self-assessment model. The SIA worked collaboratively with the Head of Safeguarding Sponsorship, Home Office on this and the conclusion is very positive across all the four areas of efficacy, accountability, governance, and efficiency. Where gaps have been identified it was noted that these are already being addressed (external review of Board effectiveness and the Ministerial Chair's letter). Whilst the assessment was generally positive, SIA had experienced a change at both Chair and Chief Executive levels (which was a trigger for a review) and had not been subject to a review since 2015/2018 despite having grown significantly in size. These factors pointed to undertaking a review and the assessment indicated that efficiency would be the worthwhile area of focus, especially considering the challenging economic situation.
- 16.2** The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship appreciated the HOSU and SIA working together and supported the recommendation of a short and proportionate review focused on efficiency. HOSU would now draft ministerial advice including the terms of reference which would be shared with SIA prior to submission.

Action Feb-23-09: The Chair requested the terms of reference for the public bodies review to be reviewed and agreed outside of the Board meeting schedule to meet the Home Office target of a ministerial submission before Easter recess.

17. Violence against Women and Girls (VAWG) Show and Tell

- 17.1** The VAWG Lead provided a comprehensive update on the work which had been done over the last 18 months.
- 17.2** The Board expressed their thanks and support for this work, noting the need to reflect the diversity of victims.
- 17.3** The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship suggested that a change to the voluntary scheme could represent an opportunity to leverage the industry's role on VAWG. She also reflected that VAWG is a Ministerial priority and asked whether there was anything specific the Minister could do to support SIA's work in this area. The consensus was that additional powers being sought by SIA would help, especially on spiking offences and extending the licensing regime to in-house security staff (Manchester Arena Inquiry recommendation)
- 17.4** The Chief Executive commented that this was excellent and impactful work, and paid thanks to the officer who presented this on behalf of the whole organisation.

18. Any Other Business

- 18.1** The ALE Strategic Lead, Head of Safeguarding and DBS Sponsorship formally thanked Authority Member Kate Bright for her tenure as a Non-Executive Director of the SIA and the Home Office department noted formally the impact of her work.
- 18.2** The Chair also thanked Kate Bright on behalf of the Board and the SIA for her energy, passion, and commitment on the People Committee to the welfare of staff and in other areas to licence holders.
- 18.3** Kate Bright thanked SIA for the opportunity to be part of the Board which had been a privilege; she would continue to champion the industry and SIA after her departure.