

SIA Board Governance Protocols

A: Specific office holder roles and responsibilities

The Chair

1. The SIA Chair is responsible for leading the Board in carrying out its responsibilities to deliver ministerial expectations and the strategic objectives of the SIA. As such, the SIA Chair is responsible to the Home Secretary for the governance and performance of the SIA.
2. The SIA Chair is specifically responsible for:
 - leading the development of the strategic direction for the SIA, in consultation with the Chief Executive
 - setting the tone of Board discussions to promote constructive debate
 - ensuring that authority members operate in accordance with governance best practice and the Nolan principles of standards in public life
 - keeping the composition of the Board under review and making timely recommendations on the appointment of new members and reappointment of existing members
 - meeting with each of the non-executive directors individually, at least annually, to discuss their performance and feedback
 - developing, with the Chief Executive, the SIA's key strategic relationships with government, industry bodies and other major stakeholders
 - appointing the Chief Executive and setting their remuneration on appointment, subject to Home Office approvals
 - supporting and performance managing the Chief Executive, in collaboration with the non-executive directors
 - deciding the annual pay remit for the Chief Executive, taking into account the advice of the People Committee
 - establishing a good relationship with the Chief Executive and executive directors, providing advice and support while respecting their different responsibilities, including the responsibilities of the Chief Executive as Accounting Officer
 - jointly with the Chief Executive, promoting effective relationships and communications between non-executive directors, the executive directors and other members of staff.
3. The SIA Chair also has a number of personal leadership responsibilities set out in the **Framework Agreement**:
 - delivering high standards of regularity and propriety
 - the work of the Board is reviewed and the Board is working effectively
 - the non-executive directors have a balance of skills appropriate to directing SIA business, as set out in the ***Corporate governance in central government departments: code of good practice (April 2017)***

- reviewing Board composition and making recommendations on appointment and reappointment of non-executive directors
- the non-executive directors are fully briefed on terms of appointment, security clearances and associated requirements, duties, rights and responsibilities
- assessing the performance of non-executive directors and ensuring they have adequate skills, knowledge and familiarity with SIA to fulfil their role
- the Home Secretary is advised of SIA needs and when non-executive directors vacancies arise
- the annual self-assessment of Board effectiveness is completed and in a timely manner
- the Board governance arrangements remain current and compliant with guidance issued by the Committee on Standards in Public Life.

The Chief Executive

4. The Chief Executive's key responsibility is to lead the organisation:
 - all powers of the SIA, which have not been retained by the non-executive directors and Board, are exercised on behalf of the SIA by the Chief Executive, or on his or her behalf, as set out in a framework of strategic control described within the **SIA Board Scheme of Delegations**
 - as Accounting Officer for the SIA, the Chief Executive is accountable to the Principal Accounting Officer of the Home Office for the funds entrusted to the SIA.
5. The Chief Executive's powers are subject to the Home Office delegated authorities set out in the annual letter of Accounting Officer delegation from the Home Office. The Chief Executive has a number of responsibilities to the Home Office, as set out in the **Framework Agreement**.
6. The Chief Executive, as Accounting Officer, is personally responsible for:
 - safeguarding the public funds for which they have charge
 - ensuring propriety and regularity in the handling of those public funds
 - the day-to-day operations and management of the SIA.
7. The Chief Executive must ensure that the SIA as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management that are set out in the requirements of HM Treasury's Managing Public Money.
8. The Chief Executive is specifically responsible for:
 - putting in place the organisational structures and business processes the SIA requires to discharge its statutory functions and achieve its strategic priorities
 - developing and maintaining an effective framework of internal controls, including risk management
 - leading the executive directors and other staff, including ensuring that collectively they:
 - act within the levels of delegated authority

- maintain an effective relationship with non-executive directors
 - support the operation of the Board and non-executive directors in fulfilling their responsibilities, including through the provision of accurate and timely information
 - ensuring that robust management succession and development plans are in place
 - working with the Chair, developing the SIA's key relationships with government, industry and other key stakeholders
 - communicating the SIA's strategy, plans and achievements to stakeholders, including the industry, SIA staff, government and the public
 - establishing a good working relationship with the Chair, reporting key developments to him or her in a timely manner and seeking advice and support as appropriate
 - keeping the Chair and non-executive directors promptly informed on significant matters relevant to implementation of the strategic direction and performance of the SIA
 - jointly with the Chair, promoting effective relationships and communications between non-executive directors, the executive directors and other members of SIA staff.
9. The Chief Executive has a direct line of accountability to Parliament and has a number of specific responsibilities associated with this – as set out in the **Framework Agreement** - the Chief Executive is specifically accountable to Parliament for:
- signing the accounts and ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by HM Treasury or the Home Office
 - signing the SIA Annual Report, including the Statement of Accounting Officer's Responsibilities and the Annual Governance Statement
 - signing a Statement on Internal Control regarding the system of internal control for inclusion in the annual report and accounts
 - ensuring that effective procedures for handling complaints about the SIA are maintained and made widely known within the SIA
 - acting in accordance with the terms of the HM Treasury document, Managing Public Money and other instructions and guidance issued from time to time by the Home Office, HM Treasury and the Cabinet Office
 - giving evidence, normally with the Principal Accounting Officer of the Home Office, when summoned before the Public Accounts Committee on the SIA's stewardship of public funds.
10. The Chief Executive's role includes taking action as set out in paragraphs 3.8.6 of Managing Public Money if the SIA is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or does not represent prudent or economical administration, efficiency or effectiveness, questionable feasibility, or is unethical.

The Deputy Chair

11. The Chair may appoint a deputy Chair of the Board, who must be a non-executive director. The key responsibilities of the deputy Chair are to:
- support the Chair in leading the Board and act as a sounding-board and source of advice to the Chair
 - deputise for the Chair when required at Board meetings
 - where requested by the Chair, act as a senior representative of the SIA and/or deputy, internally and/or externally.

Head of Governance function

12. The Head of Governance is responsible for ensuring the effective governance of the Board and that its business is conducted in accordance with requirements in the **SIA Governance Framework** and other governance requirements. The Head of Governance's role is to advise the Chair, Chief Executive, Board and each of its committees on compliance with the SIA's governance framework, its associated procedures and protocols and related governance matters, acting as the conscience of the Board.
13. The board secretariat function supports the Chair and Chief Executive and helps the Board and each of its committees to function efficiently and effectively in line with their terms of reference.

Non-executive director responsibilities

14. All non-executive directors are expected to
- act in good faith and in the public interest, not to represent particular sectors or constituencies and must, therefore, arrive at their own decisions without fear or favour
 - comply with the seven principles of standards in public life (the 'Nolan principles'), as reflected in the **Code of Conduct for Board Members of Public Bodies**, which must be followed
 - abide by these protocols and observe the highest standards of propriety in fulfilling their responsibilities, including SIA rules on expenses, the acceptance of gifts and hospitality, and of business appointments
 - bring independence, external perspectives, skills and constructive challenge to setting and monitoring implementation of the SIA's strategic priorities
 - maximise their expertise and experience for the benefit of the SIA and to inform collective decisions and contribute to decision making by it
 - support, stretch and help hold the executive to account
 - scrutinise the performance of the SIA in meeting agreed goals and objectives and monitor the reporting of performance to its effectiveness
 - ensure they review the regular financial information they receive concerning the management of the SIA, and satisfy themselves on the integrity of financial

information and that internal controls and systems of risk management are robust and defensible

- respect the confidentiality of information they become privy to in their role
- uphold and support corporate decisions
- respect the different roles and responsibilities of the non-executive directors and executive directors, including that as non-executive directors, they do not have executive or operational decision-making powers
- give proper time and attention to their duties and development
- actively support and promote a healthy culture within the organisation and reflect this in their own behaviour
- support each other and the executive in instilling the appropriate culture, values and behaviours in the SIA
- consider carefully and take into account the views of the Home Office, devolved administrations, the workforce and other stakeholders where appropriate
- participate in an annual appraisal of their own and collective Board performance.

Executive responsibilities

15. The Chief Executive and the executive directors collectively form the senior decision-making forum in the SIA immediately below the Board (referred to as “the Executive”). Acting collectively, they provide executive leadership to the organisation, and ensure the strategy and strategic aims of the SIA are implemented, in line with the policy and resources framework agreed.
16. Executive directors have the specific duties and responsibilities set out in their job descriptions.
17. Day-to-day running of the business remains the responsibility of the executive directors, through the Chief Executive’s lead, supported by the senior leadership team in the executive. This is executed through formal delegations from the Chief Executive and in line with the **SIA Scheme of Delegations**.
18. The executive directors are expected to:
 - manage their functions and responsibilities within the agreed levels of delegated authority
 - proactively raise issues/themes at Board that may need to be debated/considered for incorporation into future strategic plans
 - ensure effective stewardship of public resources
 - use formal and informal mechanisms to enable Authority Members to contribute their specialist skills and expertise and provide them with support.
19. When acting as a member of any committee of the SIA, or at Board, executive directors perform a corporate role, with duties that extend to the whole of the business, and not just that part of it covered by their individual executive roles. Executive directors should see themselves as:
 - not only members of the executive leadership team, but members of the committee or board when engaged in that business; and

- obliged to support the Chief Executive in the provision of information to authority members and at Board, its committees and generally in the escalation to the Board and its committees of the information necessary to fulfil their roles.

B: Core principles governing the way of working and relationship between non-executive directors, the Chief Executive and executive directors

20. Part of the role of non-executive directors is to provide constructive challenge and hold the Executive to account for the discharge of the statutory functions of the SIA, implementation of its strategic aims and other matters which have been delegated to them to implement or take forward. Non-executive directors are also there to support the Executive in the discharge of their respective and collective responsibilities, provide advice, encourage stretch and act as a sounding board for the executive.
21. The non-executive directors also provide an additional layer of assurance to the Chief Executive in discharging his or her responsibilities as Accounting Officer over the stewardship and use of, and accountability for public funds.
22. Together the Chair, non-executive directors, the Chief Executive and the executive directors agree to work together, in a way that:
 - provides joined up, collective leadership of the SIA that is forward looking and strategic
 - role models the values of the SIA
 - demonstrates mutual respect for each other's roles, responsibilities and remits
 - draws on each of their respective skills, expertise, experience and perspectives
 - encourages all voices across the executive and non-executive members to be listened to and valued
 - recognises and respects there will be differences of perspectives and views, whilst working towards an agreed corporate approach
 - focuses on the continuous development and improvement of the organisation
 - ensures not withstanding changes to non-executive directors or executive compositions and personnel changes, there is a seamless continuity of business
 - takes collectively responsibility for ensuring that the strategic direction set for the SIA is understood and clear externally to the licensed community, security industry and other stakeholders, and internally, to all staff working at the SIA
 - they collectively ensure that the SIA's policies, plans and strategies are proportionate to the SIA's functions, size and risk profile and are understood internally and implemented
 - enables an open, constructive, continuous dialogue about the organisation's current performance and future direction
 - (subject to matters requiring appropriate confidentiality or sensitive handling) is as transparent as possible in its working and operation; sharing appropriately information about the organisation and the context in which it operates
 - identifies opportunities and risks, maximises performance and enables learning and development.

23. Engagement with and the strategic management of senior relationships with external stakeholders at Board level will usually be led by the Chair and by or through the Chief Executive. The Chair may ask individual non-executive directors, depending on their experience and expertise, to assist with this generally or with specific stakeholders or specific areas of the business. Where this takes place, non-executive directors will normally liaise with the relevant senior executive leads who have the relevant delegated responsibilities at executive level and/or who may also be asked to assist with this. Together, non-executive directors and the executive must ensure they present a joined up, corporate position, seek to minimise duplicate handling, and capture and feedback centrally on key stakeholder engagements they attend.

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