

Industry Security Notice

Number 2024/03 (Issued 15/04/2024)

The National Security Act 2023

Introduction

1. The purpose of this ISN is to notify UK Defence Suppliers of the National Security Act 2023 which received Royal Assent on the 11 July 2023. This notice replaces ISN 2024/01. The ISN includes updated guidance regarding the use of Prohibition Place signage at paragraph 13 and includes a standardised signage template at **Annex A**.

What is the National Security Act?

- 2. The National Security Act 2023 is a response to the threat of hostile activity from states targeting the UK's democracy, economy, and values. The threat is ever evolving, and the UK needs to stay one step ahead. The Act allows the UK to keep pace with the changing threat and will keep our country safe by making the UK an even harder target for those states who seek to conduct hostile acts against the UK.
- 3. The Act overhauls and updates espionage offences, repealing the existing offences found in the Official Secrets Acts 1911, 1920 and 1939.
- 4. The Act creates a number of measures to enable UK law enforcement and intelligence agencies to deter, detect and disrupt the full range of modern-day state threats. The Act updates and introduces offences related to espionage, sabotage, foreign interference and influence, prohibited places, financial property and investigation powers, additional police powers of arrest and detention, and preparatory conduct.

National Security Act Offences

5. **Espionage** is now addressed by three offences in the Act which include obtaining or disclosing protected information, obtaining or disclosing trade secrets and assisting a foreign intelligence service.

- 6. The offence of **sabotage** captures activity conducted for, on behalf of, or for the benefit of a foreign power, resulting in damage to property, sites and data affecting the UK's interests, and national security.
- 7. The principal aim of the **foreign interference** offences is to create a more challenging operating environment for, and to deter and disrupt the activities of, foreign states.
- 8. Please note that whilst offences included in the Official Secrets Act 1989 only apply to Crown Servants and UK Supplier Personnel in the HMG supply chain, offences under the National Security Act 2023 apply to all British Nationals and individuals residing in the UK.

Other Provisions included in the National Security Act

- 9. The **Prohibited Places Regime** introduces a suite tools and measures to protect sensitive sites that are particularly vulnerable to threats from foreign powers.
- 10. A person commits an offence if they access, enter, inspect, pass over or under, approach or are in the vicinity of a prohibited place if the individual knows or ought to have reasonably known that this activity was prejudicial to the safety or interests of the UK.
- 11. A person also commits an offence if they cause an unmanned vehicle or device to access, enter, inspect, pass over or under, approach or be in the vicinity of a prohibited place.
- 12. The definition of prohibited place includes any UK land or building used for defence purposes in support of the invention, development, production, operation, storage or disposal of weapons or other equipment or capabilities of UK forces and research relating to it. All UK Defence Supplier land or buildings used for the purposes described above are therefore by default deemed to be prohibited places under the act.
- 13. There is no requirement for UK Defence Suppliers to register their premises as a prohibited place but if they have land, a building or room that is prohibited place based on the definition at paragraph 12 they are advised to place signage outside the land, building or room stating that the area is a prohibited place under the UK National Security Act so that members of the public or persons not authorised to access the land, building or room know it is a prohibited place under the Act. The decision regarding the use and location of signage is a judgement call for individual UK Defence Suppliers. The use of signage may assist with prosecutions under the Act, but each Supplier should weigh the possible benefits against the potential need for anonymity.
- 14. The Act introduces **Cordon Powers for Military Aircraft Crash Sites** which grant the police powers to designate an area as a cordoned area for the purposes of securing an aircraft, or a part of an aircraft, used for military purposes, or equipment relating to such an aircraft.

- 15. The Act introduces additional powers for arrest, detention, search, and seizure. The act also introduces increased sentencing powers for offences.
- 16. The Act covers the **Foreign Influence Registration Scheme (FIRS)** which is a two-tier scheme which increases transparency of foreign power influence in UK politics and provides greater assurance around the activities of certain foreign powers or entities that are a risk to UK safety or interests. The FIRS will be introduced during 2024 and further details will be provided in due course.

The Official Secrets Act 1989

- 17. The Official Secrets Act 1989 remains extant. Under this Act it is an offence for Crown Servants or UK Government Suppliers to disclose information without lawful authority in relation to:
 - Security and intelligence.
 - Defence.
 - Crime and special investigation powers.
 - International Relations.
 - Information resulting from unauthorised disclosures or entrusted in confidence.
 - Information entrusted in confidence to other states or international organisations.

Implications for Contractual Conditions, Security Aspects Letters and Official Secrets Act Declaration Forms

- 18. Contractual Security Conditions which reference the Official Secrets Acts 1911, 1920 and 1939 will need to be amended so they only reference the Official Secrets Act 1989 and the new National Security Act 2023. The OFFICIAL and OFFICIAL-SENSITIVE Contractual Security Conditions have already been updated in ISN 2023/13. MOD is now also in the process of updating DEFCON 659A accordingly. Until DEFCON 659A is updated UK Defence Suppliers should continue to use the extant version of the DEFCON when flowing down classified aspects to their supply chain.
- 19. Security Aspects Letters which reference the Acts which have been repealed and replaced by the National Security Act 2023 shall be updated within the next 12 months.

- 20. Moving forward Security Aspects Letters and DEFCON 659A will obligate UK Defence Suppliers to notify their staff that both the Official Secrets Act 1989 and National Security Act 2023 apply to them.
- 21. Where a UK Defence Supplier chooses to use an Official Secrets Act declaration form this will need updating to remove references to the repealed acts. It is not normally necessary to reference the new National Security Act 2023 in the declaration form as the new Act applies to all British Nationals and individuals residing in the UK even if they are not employed by HMG or a UK Government Supplier. MOD does not plan to develop a new declaration form covering the Official Secrets Act and National Security Act for use by UK Defence Suppliers.

Actions for UK Defence Industry

22. Security Controllers should familiarise themselves and their staff with provisions contained within the National Security Act 2023. Factsheets covering different areas of the Act are available on Gov.UK at the link below:

National Security Bill: factsheets - GOV.UK (www.gov.uk)

- 23. When MOD Contracting Authorities issue updated Security Aspects Letters or Contractual Security Conditions as a result of the National Security Act 2023 these should be flowed down to Third-Party Defence Suppliers (sub-contractors) where applicable.
- 24. Security Controllers should consider placing signage outside UK Defence Supplier land, buildings, or rooms if they meet the definition of a prohibited place under the National Security Act 2023. A standardised signage template for use by UK Defence Suppliers is included at Annex A.

Validity / Expiry Date

25. This ISN will expire when superseded or withdrawn.

MOD Point of Contact Details

26. The point of contact in respect of this ISN is:

Industry Security Assurance Centre Ministry of Defence

email: ISAC-Group@mod.gov.uk (Multiuser).