

## SIA Governance Framework

### The SIA - the Authority

1. The Security Industry Authority is a body corporate established under the Private Security Industry Act 2001 (“the Act”), also known as “the Authority”. It operates across the United Kingdom and its functions and powers are set out in the Act.
2. The Authority must have a Chair and no fewer than five other members as the Secretary of State for the Home Office (the “Secretary of State”) determines. Members of the Authority are known as non-executive directors and are office holders rather than employees.
3. The Authority must have a Chief Executive and appoint staff to carry out the day-to-day work of the SIA. All staff, including the Chief Executive, are public servants.
4. The Authority, as a public body, its non-executive directors and staff are bound by the principles of better regulation, namely that its work will be transparent, accountable, consistent, proportionate and targeted, as well as other public sector duties, including under equalities legislation and in respect of promoting economic growth.

### The Board

5. The non-executive directors come together with the Chief Executive, and the executive directors of the SIA, to form the Board.
6. The Board’s role is to establish and take forward the strategic aims and objectives of the SIA, ensuring that any statutory or administrative requirements for the use of public funds are complied with; that it operates within the limits of its statutory authority and any delegated financial authority from the **Framework Agreement** with the Home Office.
7. The Board acts collectively in making decisions and should seek to achieve consensus on decisions. The Chair shall have discretion on whether an issue which cannot be resolved by consensus requires a vote and whether by non-executive directors only. Where, following a vote, an equal number of Board members agree and disagree, the Chair shall have a casting vote.

### Non-executive directors

8. The appointments of non-executive directors, including the Chair, are made in accordance with guidance issued by the Commissioner for Public Appointments and are usually for a term of 3 years.
9. Before appointing the Chair, the Secretary of State must usually consult ministers in Scotland and Northern Ireland.
10. A non-executive director’s term of office may be renewed or extended.
11. Non-executive directors are responsible for ensuring that effective arrangements are in place to provide assurance on risk management, governance and internal control. The non-executive directors’ focus is therefore primarily on strategy, performance, accountability and risk.

### **The Chair and Chief Executive**

12. 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. The Chair may appoint a deputy Chair, who must be a non-executive director.
13. The Chief Executive is the Principal Accounting Officer, accountable directly to the Home Office for the funds entrusted to the SIA. The Chief Executive's responsibility is to lead the organisation on a day-to-day basis, its operation and management.
14. The Chief Executive and the executive directors, acting collectively, 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.
15. Further details about the roles of each of these positions are set out in the **Board Governance Protocols**.

### **Power to delegate and establish committees**

16. The Board has the power to establish committees under the terms of paragraph 8, Schedule 1 to the Act.
17. The SIA must have, at least, an Audit and Risk Assurance Committee and a committee that has responsibility for considering pay and reward proposals.
18. The matters the non-executive directors, acting collectively, have reserved to themselves at Board and are not to be delegated in any circumstances, under the **SIA Board Scheme of Delegations** or otherwise, including to committees, are:
  - establishing committees of the Board and approving their terms of reference
  - approving the **SIA Board Scheme of Delegations** (including the division of responsibilities between the non-executive directors, Board and the executive)
  - decisions relating to the organisational structure at executive director level.
19. Each of the committees must be chaired by a non-executive director, appointed by the Chair and have at least one executive director supporting it. Each committee must have clear terms of reference that are regularly reviewed and must produce and present to the Board an annual report of the activities undertaken by the committee.

### **Personal benefit**

20. Board members must not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations.

### **Declaration of interests**

21. Board members must comply with the SIA's declarations and conflict of interest policy and procedures. Provisions for the registration and declaration of interests and withdrawal from meetings are intended to prevent those on the Board from being influenced, or appearing to be influenced, by their private interests in the exercise of their duties.
22. Board level declared interests are held on a register of interests, which is maintained by the Head of Governance and published on the SIA website.

23. Board members should:

- seek advice from the Chair and the Head of Strategy and Governance (or in the case of the Chair, from the Chief Executive and the Head of Strategy and Governance) on managing any conflict or perceived conflict of interest, including before taking on any new role in a body in which there might be a real or perceived conflict of interest. The Head of Strategy and Governance will consult with the Professional Standards Manager on conflicts of interest where appropriate.
- maintain an accurate and comprehensive entry on the register of interests, which must be updated as soon as possible when circumstances change and reviewed at least annually
- declare any interests at the start of a meeting if they have a personal, business or pecuniary interest in an issue on the agenda
- withdraw from discussions and/or the decision-making as appropriate, when required to ensure the proper management of any conflict or potential conflict of interests.

24. As public appointees, in undertaking public engagements not associated with the SIA, non-executive directors will ensure that it is clear that they are speaking in a personal or private capacity and take care that what they say does not compromise or conflict with their role as a non-executive director of the SIA or the SIA's corporate position on any issue.

**Remuneration and expenses**

25. Non-executive directors may only seek remuneration and reimbursement of reasonable expenses in connection with their role, solely where payment of these reflects the exercise of their agreed duties and in accordance with the SIA's policy and terms of the **Framework Agreement**. All expenses incurred by non-executive directors will be published quarterly on the SIA website.

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