



Security Industry Authority

# Security Industry Authority

## Annual Report & Accounts 2024-25

HC 1151



# SECURITY INDUSTRY AUTHORITY

## Annual Report and Accounts 2024-25

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Ordered by the House of Commons to be printed on 17 July 2025

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# CORRECTION SLIP

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## Corrections:

### 1. Page 18 (SIA: A Year in Numbers), 4th graphic box

Text currently reads:

*440 improvement notices issued to approved contractors*

Text should read:

*18 improvement notices issued to approved contractors*

### 2. Page 32, in first column

Text currently reads:

*Through our diligent assessments and investigations, we have issued 440 improvement notices to approved businesses over the year to ensure high standards are maintained.*

Text should read:

*Through our diligent assessments and investigations, we have issued 18 improvement notices to approved businesses over the year to ensure high standards are maintained.*

Date of correction: 23 January 2026

# Contents

Foreword from the Chair and Chief Executive	6
<b>Performance report</b>	<b>11-82</b>
<b>Performance overview</b>	<b>12</b>
Who we are	12
What we do	14
Our purpose	17
Our values	17
SIA: A year in numbers	18
Key performance indicators	20
<b>Performance analysis</b>	<b>28</b>
Core statutory responsibilities	28
Our strategic themes	41
Achievements against strategic themes	43
Environmental, social and community performance	67
Financial review	75
<b>Accountability report</b>	<b>83-165</b>
<b>Governance statement</b>	<b>90</b>
<b>Remuneration and staff report</b>	<b>127</b>
<b>Parliamentary accountability disclosures</b>	<b>150</b>
The Certificate and report of the Comptroller and Auditor General to the House of Commons	153
<b>Financial statements</b>	<b>166-202</b>
Notes to the financial statements	174

# Foreword from the Chair and Chief Executive

This is the second year of our 2023-26 reporting cycle. Against a backdrop of high unexpected application volumes, this has been a year of strong delivery across all our private security regulatory functions. It is also a year that brought some important strategic changes for the SIA. This included the announcement that the SIA is to be the new regulator of Martyn's Law, because of the Terrorism (Protection of Premises) Act 2025.

We met or exceeded all our key targets and indicators across the full range of our core regulatory activities this year. Demand for SIA licences was so high we ended the year with record numbers of applications and reached the half a million mark of registered licences. Our annual customer satisfaction survey results remain very high, reflective of our commitment to prioritising our customer-facing services and their experience.

Mandatory public safety critical refresher training for Door Supervisor and Security Guard licences is now in place on a cyclical basis. We are improving the integrity of licences and the linked training by bolstering our

response on training criminality and malpractice and related compliance and inspections work.

We have continued to play our part in supporting government-wide priorities on making the UK safer from terrorism and reducing violence against women and girls by collaborating with partners on campaigns on counter terrorism, vulnerability and spiking training and awareness, and the changes we made to licence training content.

We also took part in the Prime Minister's Spiking round table in autumn 2024 and partnered the National Police Chiefs' Council (NPCC) "Spiking Week of Action" as part of our public safety push for the Freshers season.

Our continued drive for efficiency and value for money was recognised in the independent review of the SIA, under the Public Bodies Review Programme published in March 2025. The focus of this review was efficiency, and we welcomed the confirmation that the SIA has challenged itself to increase efficiency to contain the cost of its operations.

The Review offers assurance to Ministers and the public that (in the words of the report) the SIA "is a well-run organisation with a Board, Executive and staff committed to improving public security." It also concluded that the SIA is best placed in its current form to deliver the licensing of regulated security roles and the regulation of private security.

The strategic partnerships we make with industry and public bodies across the UK remain essential to the success of our work in achieving regulatory outcomes. During the reporting year we finalised data-sharing agreements with Police Scotland and the Police Service of Northern Ireland. Across the UK, SIA senior leaders participated in major industry and partner events. In July 2024, we marked the 20-year anniversary of the SIA licensing regime with the industry. We showcased the public safety achievements of front-line security operatives and their acts of bravery on International Security Officers Day. We were also proud to honour the work of frontline security officers at a Parliamentary reception hosted by the SIA's first Chair, Baroness Meacher.

Feedback from stakeholders inform our decisions. We published the consultation results of the fundamental review of the voluntary business approvals scheme. The responses show an overwhelming support of the principles and direction of travel. These and other stakeholder views are informing the detailed design phase which continues this year. We look forward to seeing the results of our separate public consultation on proposals to further toughen the licensing criteria on criminal offences and overseas checks.

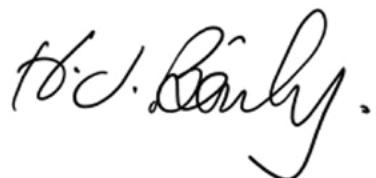
This coming year we will remain focused on our core statutory functions; licensing, business approvals and compliance work across all parts of the UK, including training malpractice. We will also intensify investment in improving our digital systems to deliver greater efficiency and further smarten the customer experience.

Our staff remain committed and passionate about their work and their contribution to public protection. It is only with their skills, knowledge, and dedication that we can continue to deliver our core services and be an effective regulator. On behalf of the whole SIA Board, we thank them for all their hard work.

Towards the end of the reporting year, we welcomed the government's intention to review the Manchester Arena Inquiry's monitored recommendation 7 (removing the in-house licensing exemption) and monitored recommendation 8 (the introduction of business licensing). We look forward to continued dialogue with the Home Office on this.

We have also formally moved to the portfolio of the Security Minister, Dan Jarvis MP. This will ensure that our functions and work to regulate and improve standards in the private security industry and the new Martyn's Law regulator activities when they commence in 2027 will strengthen and complement each other. As a result, protective security and security standards at venues across the UK will improve. We look forward

to continuing to work collaboratively with Ministers, the Home Office and devolved administrations in Scotland and Northern Ireland in the year ahead on taking this mission forward.



**Heather Baily QPM**

Chair  
Security Industry Authority



**Michelle Russell**

Chief Executive and Accounting Officer  
Security Industry Authority

# Performance report

# Performance overview

This section provides an overview of the outcomes we are aiming to achieve, our objectives, and our performance in delivering those objectives during the reporting year. This includes highlights of key metrics and positive outcomes, and some of the key risks to the achievement of our objectives.

## Who we are

The Security Industry Authority (SIA) is a public body reporting to the Home Secretary and sponsored by the Home Office. We were established under the Private Security Industry Act 2001 to contribute to public protection by setting and improving standards in the regulated private security industry.

The Act covers England, Wales, Scotland and Northern Ireland and the following activities:

- Cash and valuables in transit
- Close protection
- Door supervision
- Public space surveillance (CCTV)
- Security guarding
- Key holding
- Vehicle immobilisation (in Northern Ireland only)

We support the Home Office priorities of reducing terrorism, preventing and tackling crime, and ensuring people feel safe in their homes and communities.

We are responsible for:

- licensing people who carry out certain activities in the private security industry
- approving private security companies who wish to be part of our voluntary Approved Contractor Scheme
- conducting inspections
- monitoring the activities of people operating within the private security industry and taking enforcement action where necessary
- setting and approving standards of conduct and training for the private security industry
- making recommendations on ways to improve standards in the private security industry

As an executive non-departmental public body, sponsored by the Home Office, we are operationally independent of government as a regulator.

We are governed by a Board which is made up of our non-executive directors, including our Chair, and our executive directors, including our Chief Executive.

The Board's role is to ensure that the SIA's statutory responsibilities are met. The Board also sets the SIA's strategic direction. The Chief Executive and executive directors are collectively responsible for the discharge

of those responsibilities on a day-to-day basis. The non-executive directors provide both support and challenge to the executive.

We employ nearly 400 members of staff. We have an office base in London, but a significant number of our workforce are based locally across the UK as investigators and other remote staff who inspect and work closely with the private security industry.

We are independently audited regularly by the Government Internal Audit Agency (GIAA) and the National Audit Office (NAO).

## **What we do**

We have a statutory responsibility to license individual security operatives. We do this by applying criteria relating to identity, conduct and criminality.

We establish the minimum competency requirements that individuals must meet before applying for a licence.

We work closely with the police, local authorities and other government agencies to ensure that individuals and companies operating within the private security industry comply with the law. Our compliance and enforcement operations are part of this work. We work with training providers, trade associations and industry representatives on standards and the operation of our regime.

We set and approve standards for the entry-level training required to hold an individual licence. We do this by specifying the learning for the qualifications needed. We require qualification-awarding organisations to have robust standards of assessment and appropriate processes for the awarding of qualifications recognised for licensing. While we are not responsible for regulating the awarding and delivery of qualifications, which is the responsibility of the UK's regulatory qualifications bodies (Ofqual, the Scottish Qualifications Authority (SQA)), we work with them and the awarding organisations to tackle threats to the quality of the qualifications, including training centre malpractice and fraud.

We have a statutory duty to establish and maintain a register of approved providers of security industry services. We do this by managing the voluntary Approved Contractor Scheme (ACS). We apply eligibility and other 'fit and proper' criteria, and we establish terms and conditions of approval. We appoint independent assessing bodies to conduct assessments against the ACS standard before awarding approved contractor status.

We have compliance and inspection teams based and working across the UK visiting venues that provide and supply licensed security. They work with individuals, businesses and venues both to raise standards and to ensure the licensing requirements are met. They investigate concerns about non-compliance. In cases

which are not resolved by advice, guidance or formal warnings, we refer them for enforcement action to our criminal investigation team which, in appropriate cases, leads to prosecution. We have a financial investigation capability which means we can apply to the courts for confiscation orders against the assets of persons or businesses convicted of offences where they have profited from their crimes. We use the money we receive to support public safety and good causes for the benefit of the security industry.

We work closely with local and national police forces, government agencies, local authority licensing partners, security providers, buyers and venue owners to understand, identify and successfully mitigate a broad range of public protection and safeguarding risks. These include terrorism, violence (including against women and girls), drugs and spiking, serious and organised crime, modern slavery, labour exploitation, and child sexual exploitation and abuse.

Our work is dependent on partnerships not just with the police and other public bodies, but also with security providers. We seek, and continue to benefit from, the support and co-operation of those working in the private security industry and our many partners to provide effective regulation, and pursue robustly those who choose not to comply.

## Our purpose

Protecting the public through effective regulation of the private security industry and working with partners to raise standards across the sector.

## Our values

Our staff developed these values; they are the guiding force in how we deliver our work. These values direct our behaviour towards our stakeholders, partners and each other. We consider how well we reflect these values through performance reviews and recognition schemes.

### **Courageous**

We are confident in our approach, integrity and independence. We enforce proportionately without fear or favour. We are not afraid to challenge.

### **Responsive**

We listen and we continually strive to improve.

### **Efficient and Professional**

We deliver increasing value for money every year. We recognise and enjoy success; we are brave by recognising poor performance or failure. We put it right, share the learning and move on to the next success.

### **Together, United**

We are one team working with a common purpose. Everyone has value.

# SIA: A year in numbers

**103**  
formal  
warnings  
issued

**7,343**  
licences  
revoked

**507,300**  
active licences\*

**18**  
improvement  
notices  
issued to  
approved  
contractors



**91%**  
of individuals are  
satisfied with the  
process of applying for/  
renewing their licence\*\*

**2,427**  
licence  
applications  
refused

**93%**  
of all  
licensing  
applications  
processed  
within 25  
working  
days

**18,575**  
X followers\*  
(formerly  
Twitter)

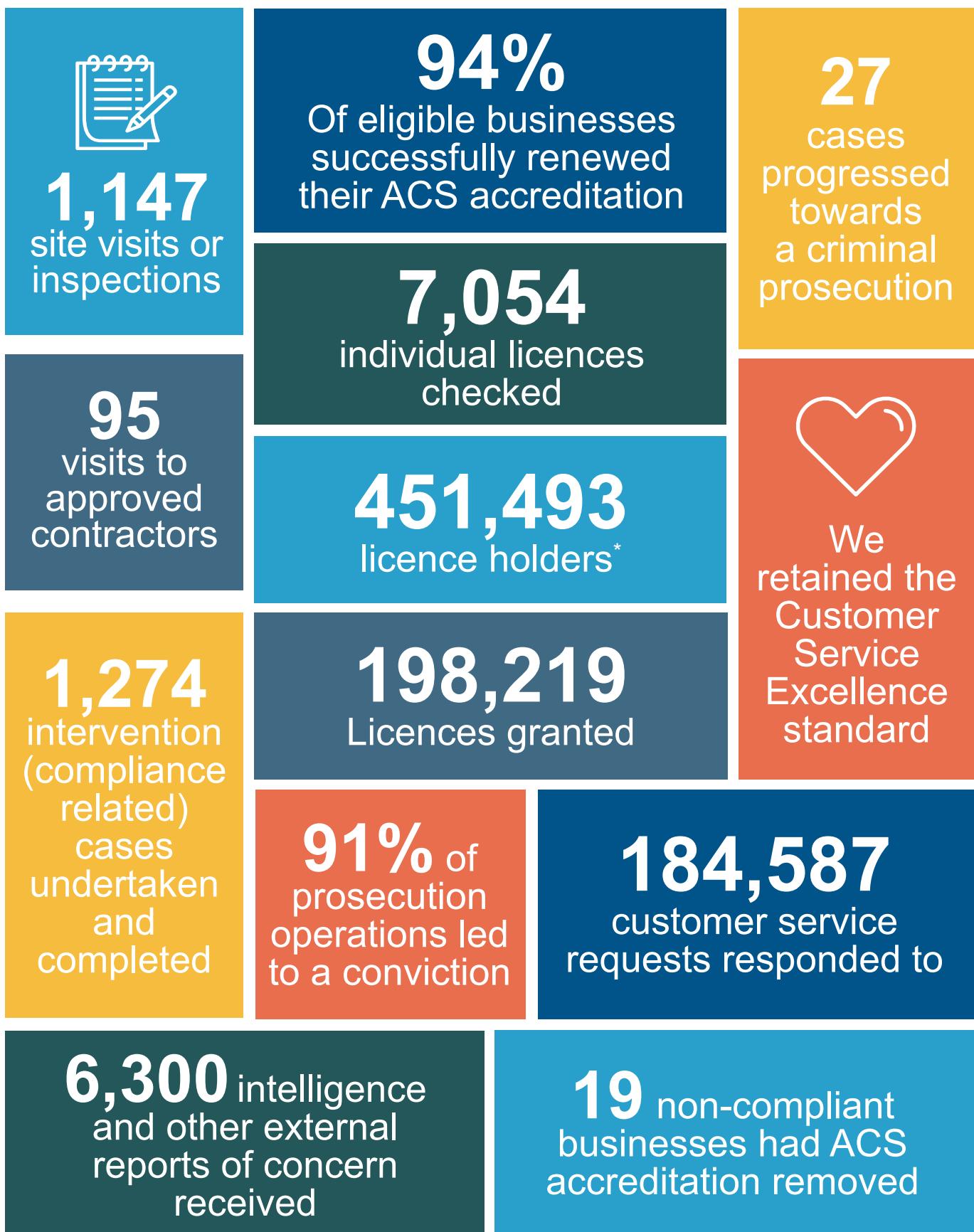


**121,994**  
LinkedIn  
followers\*

**748**  
approved  
contractors\*

**36,767**  
Facebook  
'likes'\*

**434,036**  
lifetime views for our  
current guidance videos\*



\* As of 31 March 2025

\*\* Findings of a customer satisfaction survey conducted in January 2025 .

## Key performance indicators

Our performance management approach includes challenging key performance indicators (KPIs) which are designed to measure both the core areas of SIA activity, as well as our performance against areas of our 2024-25 business plan and the core areas of our Strategic Plan:

- Regulating effectively
- Regulating efficiently
- Improving individual standards
- Improving business standards
- Driving strategic partnerships
- Supporting our people

We report on the progress of all KPIs to the executive directors' group monthly, and to the SIA Board quarterly. The KPIs evidence and encapsulate how the SIA is working to:

- protect the public through operating an efficient and effective licensing function
- protect the public through effective compliance and enforcement activity
- be an efficient and effective public and customer-focused organisation
- support its people to ensure we perform well as an organisation

These KPIs are designed to both measure and drive performance across the SIA from 2023 to 2026, and were reset to include some new indicators when the Strategic Plan 2023-2026 was agreed.

**Table 1: KPIs for 2024-25, with data as of 31 March 2025**

KPI reference	KPI	Rate achieved at 31 Mar 25
<b>Regulating effectively</b>		
1(a)	Increase risk-led inspection activity by 20% each year (to 2,520), across the private security industry.	<b>Met - 114%</b> increase in risk-led inspection activity (from 2,100 to 4,487)
1(b)	Provide qualitative feedback to individuals or companies in 80% of compliance cases (unless being prosecuted, under criminal investigation or subject to subsequent compliance activity).	100%
1(c)	Ensure 90% of businesses or controlling minds issued with formal warnings, improvement notices or prosecutions are re-assessed as compliant.	100%

KPI reference	KPI	Rate achieved at 31 Mar 25
<b>Regulating efficiently</b>		
2(a)	Make savings of 5% or more against our planned expenditure across the 3-year cycle.	<b>Met - £668k</b> (exceeded target of £660k)
2(b)	Make annual efficiencies over a 3-year period to offset the impact of the rebate scheme which ends at the start of FY 2026-27. (Crediting the 3% efficiencies made from the 2023 fee reduction).	<b>Met - £1,633k</b> (exceeded target of £1,020k)
<b>Improving individual standards</b>		
3	Reduce the average actions raised at unannounced visits to training providers to 4.0 in year 1, 3.5 in year 2 and 3.0 in year 3.	<b>2.0 actions raised on average (year 2)</b>
<b>Improving business standards</b>		
4	90% of eligible businesses re-register or renew their ACS approval.	94%
5	85% of the businesses on the annual list of top 65 UK security companies are ACS accredited.	94%

KPI reference	KPI	Rate achieved at 31 Mar 25
<b>Driving strategic partnerships</b>		
6	Increase year-on-year public protection joint activity and outcomes with key partners, to reduce harm across the private security industry.	<b>Met</b> 5.8% increase in number of joint operations with partners
<b>Supporting our people</b>		
7	Staff retention rates remain 85% or higher.	87%
<b>Core Activity</b>		
8(a)	85% of all complex individual licence application decisions are made within 25 working days.	89%
8(b)	90% of all simple individual licence application decisions are made within 5 working days.	99%
9	95% of decisions to suspend a licence are made within 3 working days from receipt of sufficient information to public protection outcome.	99%
10	Obtain a net promoter score of 50+ on our user satisfaction survey.	+74

KPI reference	KPI	Rate achieved at 31 Mar 25
<b>Core Activity</b>		
11(a)	An overall increase in results of EDI and organisation values questions in the staff survey, seeking above 70% responses and improvement to 2022 baseline results.	79%
12(b)	Improve EDI demographic disclosure rates for EDI data in our HR system – seeking comparable benchmark with other organisations – with over 70% completion rates.	93%

## Principal risks

Our principal risks to delivery and the effective running of the organisation are set out below. These are detailed in our governance statement on page 90, together with mitigation details. These are broadly consistent with those detailed in the previous reporting period. Each risk has active controls in place as well as new actions. The risks have not materially affected our ability to deliver our key strategic objectives this year.

We have added a new risk relating to the impact of the new responsibilities for the SIA in respect of Martyn's Law as introduced by the Terrorism (Protection of Premises) Act 2025.

We also rearticulated our principal information risk. It now reflects the broader potential causes of loss or compromise to our information systems, not just those that are cyber-related.

## **Principal risk summary:**

- failure to successfully implement Martyn's Law, on time and without unduly disrupting delivery of SIA's Private Security Industry Act 2001 role objectives and priorities
- failure to deliver an effective compliance, supervision and enforcement strategy
- financial health – failure to manage financial resources effectively
- people – failure to attract, retain and develop our staff to ensure capability and capacity to deliver our objectives.
- vulnerabilities in the individual licensing regime and its operation
- failure to effectively deliver and implement the Business Approvals Strategy Programme
- inadequate regulatory oversight of the qualification awarding arrangements in the sector
- failure to effectively mitigate an incident that significantly impacts the confidentiality, integrity and/or availability of SIA information
- failure to achieve a stable and sustainable financial position as a result of the 2025 spending review

## Our performance in 2024-25

Our performance targets ensure we focus on delivering core statutory functions – high-quality, timely service to our licence applicants, improving standards in Approved Contractor Scheme businesses and protecting the public by taking swift and effective action to address non-compliance. We also use these measures to ensure training providers take action to address poor quality training provision and that we are efficient and effective as an organisation.

This year is the second year of our 2023-26 three-year reporting cycle. We have met or exceeded all KPIs, despite significantly increased volumes in licensing and the introduction of some stretch targets that encourage and drive performance across the full range of our regulatory activities. KPI 9 was one of those stretch targets: tracking performance in 3 days, compared to 5 days in previous years.

Demand for SIA licences has been particularly high this year, with record numbers of applications for individual licences. This was as a result of both a high number of renewal applications incentivised by changes to the training regime, as well as higher-than-usual numbers of first-time applicants. Yearly levels always fluctuate across our three-year cycle for historical reasons, with the third year, 2025-26, predicted to be a relatively quieter year following two years of high application numbers.

We will continue to monitor our performance through this suite of measures over the final year, ensuring that we achieve the outcomes and goals set in our strategic plan. We intend to adjust the targets and metrics for KPI 1a as we refine how we show the impact of our compliance and inspection work and ensure we target our work to the areas where we can have most impact on levels of compliance.

# Performance analysis

## Core statutory responsibilities

### Overview

This section is a summary of the work of the Security Industry Authority. It sets out our purpose, our work, the key risks to the achievement of our objectives, and how we performed during the 2024-25 operating year.

### Licensing and service delivery

We received more than 200,000 paid individual licence applications in 2024-25. This was the most we have ever received in a single year since we began licensing in 2005, far surpassing the previous year's record of 179,000 applications. March 2025 was our second busiest month on record, with 19,010 paid applications, while April 2024 was our third busiest month ever, with 18,585 paid applications. We made between 13,343 and 19,969 licence decisions per month throughout the year.

In 2024-25, we received 184,587 online service requests and 60,794 phone calls from individual and business customers. This was a 4% reduction in customer contact compared to 2023-24, despite the 12% increase in licence applications. This demonstrates we are continuing to reduce customer contact through

more effective customer guidance and improved first touch resolution of customer queries.

An independent customer satisfaction survey conducted in January 2025 showed that 91% of individual licence applicants and 89% of businesses were satisfied with the application process. This was a marked increase from the results in 2023-24, by 5 percentage points for individual licence applicants and 4 percentage points for businesses. The main reasons given for the high customer satisfaction levels include the application process being simple and straightforward to manage, and the timeliness of licensing decisions. We use the results from this survey, in addition to the customer feedback we regularly gather from the surveys we coordinate internally, to continually improve the service we provide to our customers.

In 2024-25 we processed 93.3% of all licence applications within 25 working days of receiving a correct and complete application. This continues the high performance seen in previous years, with 92% in 2022-23 and 93% in 2023-24, despite the significantly larger volume of licence applications received in 2024-25.

We categorise and apply our resources to licensing decisions based on their complexity. We have a target to process 85% of 'complex' decisions within 25 working days, where manual intervention and consideration is

required from SIA staff, and to process 90% of ‘simple’ decisions within 5 working days. In 2024-25, we achieved 89% against the target for ‘complex’ decisions, which was 1% higher than the previous year, and 99% against the target for ‘simple’ decisions, which was the same as the previous year. It took us 16.8 days on average to make a decision on ‘complex’ applications, and 1.2 days on average to make a decision on ‘simple’ applications.

These results are particularly impressive considering the significantly higher application volumes received in 2024-25. The results also demonstrate the positive impact that investment in our systems and process improvements can have and that our high-performing and dedicated front-line licensing team continue to have on our licensing operations.

Where there is a public safety concern, whether we identify it ourselves or it is brought to our attention, we ensure we act promptly to verify the information and take action (as the public and our customers expect). In 2024-25, we processed information relating to public safety concerns and made the decision to suspend an individual’s licence within the revised target for this year of 3 working days (5 working days previously) in 99% of cases. For the vast majority of cases, we took suspension action within just 1 working day, and around 45% of decisions to suspend were made on the same day that the information was received.

In 2024-25 we suspended 1,528 licences and revoked 7,343 licences. More than 95% of the decisions to revoke a licence were due to the licence holder no longer having the right to work in the UK. These actions are fast-paced, resource-intensive and often require multiple engagements with the licence holder and police partners. We do not reactivate a licence following suspension unless we have sufficient evidence and assurance that the licence holder is fit and proper and does not pose a risk to public safety.

## **The Approved Contractor Scheme (ACS)**

Our role is to ensure only fit and proper companies gain entry to the voluntary Approved Contractor Scheme and that approved contractors conform with the standard for the duration of their approval period.

The Business Standards team works closely with our Compliance and Inspections team and our ACS Decisions team to make robust ACS approval decisions. At the end of the 2024-25 year there were 748 approved contractors on the register.

We expect new applicants to present as eligible and demonstrate that they meet our requirements. Any new applicant must go through several due diligence checks as part of the approval journey. During 2024-25, we completed fit and proper checks on all new ACS applicants and continued to complete checks on existing approved contractors through the annual return process.

We received 91 new ACS applications and approved 33 new businesses. Through our diligent assessments and investigations, we have issued 18 improvement notices to approved businesses over the year to ensure high standards are maintained. Where they have fallen short, we have removed businesses from the register; this year we removed 19 businesses from the register.

We are mid-way through review and renewal of the certification bodies delivering current assessment services for ACS. We are completing the necessary procurement activity and approvals, which are due to conclude in July 2025. We secured a short extension with our existing suppliers to ensure the continued supply of assessment services.

This year we also completed a comprehensive review and audit of ACS processes around onboarding of new ACS applications. This has led to several recommendations that we will implement in the next business year, which are particularly helpful in ensuring we maintain compliance with public sector equality duties.

## **Licence-linked qualifications**

Our Individual Standards function's responsibilities include ensuring we meet our statutory obligations to 'set and/or approve standards of competence' for those who wish to apply for a licence.

We do this by setting the standards used for licence-linked qualifications and working closely with partners such as the awarding organisations and qualifications regulators to make sure they are awarded properly.

In this past year there have been a number of changes to the awarding of qualifications. We have worked with awarding organisations to make sure that refresher training is available for those renewing a Door Supervisor or Security Guard licence after 1 April 2025.

This is an important development, as it will ensure that all licence holders have up-to-date safety-critical training in key areas including physical intervention and searching.

Last year's activity was again high, with approximately 180,000 qualifications awarded. The majority, around 125,000, were first-time awards, with the remainder being top-up or refresher qualifications.

Other public safety critical changes included adding additional skills to the first aid requirement. This was made possible by close working with the Health and Safety Executive. This new content now reflects the private security sector-specific requirements on catastrophic bleeds and trauma as part of its overall arrangements for the delivery of first aid training. This implements one of the Manchester Arena Inquiry chapter 2 recommendations.

Our staff in Individual Standards continue to work with colleagues in our Legal team to support in court cases and coroner's inquests, including as expert witnesses.

We also provide a focus point for the collation of industry research, which is one of our statutory functions. Our projects this year have included a sector review that helps shed light on a broad picture of industry performance, with particular focus on changes to industry demographics and challenges in industry supply.

## **Compliance and inspections**

Our Compliance and Inspection investigation officers work in six regional teams based across the UK. Their purpose is to ensure that individuals and businesses who are supplying private security industry services under contract comply with the Private Security Industry Act 2001, and by doing so improve public safety.

We divide the work of the teams between compliance investigations and risk and intelligence-led inspections.

We issue sanctions, including advice, formal warnings, and improvement notices when we identify non-compliance. In more serious cases we collate evidence to support and inform actions to suspend or revoke individual licences, refer cases for criminal investigation or review the status of businesses within the Approved Contractor Scheme.

We continue to work closely with statutory partners including police forces, HM Revenue and Customs and local licensing authorities to achieve our regulatory objectives.

Over the last year we continued to increase our visibility and be proactive in our engagement across the private security industry. This was the core aspiration in our revised compliance, supervision and enforcement strategy. This activity is targeted using incoming reports and developed intelligence to maximise impact. The increase in inspection and enforcement resources has enabled us to deliver on this.

During 2024-25 we conducted 155 separate pre-planned inspection operations. We based 43 of these operations on specific intelligence and directed 112 towards areas of risk we identified in our strategic assessment process. 34 of our inspections were led by law enforcement or other compliance partners, or in direct response to an issue highlighted by partners. In addition, our teams carried out checks on 1,500 individual licence holders during our case investigations.

Our combined inspection activity resulted in us carrying out checks on 7,054 individuals deployed by 1,033 security providers at 1,147 different sites and venues.

We significantly exceeded our target level of activity in our compliance investigations, which is indicative of the

priority that we place on this area of work. In addition to the investigations brought over from the previous year, we opened 1,502 new compliance investigations (against a target of 840) and satisfactorily completed 1,274 investigations (against a target of 820) during the year, having addressed the intelligence and/or risk. We completed 84% of investigations within four months, exceeding our target of 80%.

In 2024-25 we issued a total of 119 warnings and 18 improvement notices. Of the 1,274 investigation cases we completed during the year we referred 45 to our Criminal Investigation team, 12 to partners and 8 to Compliance. We marked the remainder as 'complete'.

Our strategic assessment process again identified festivals, large outdoor events and venues with large footfall as being an area of risk. This is founded in the very significant fluctuation of demand for security operatives during the festival season. This can lead to principal contractors having to adopt multi-layered and extended supply chains to meet resource demands. These can result in exploitation, unlicensed operatives being deployed, and abuse of employment status and cash-in-hand payments to circumvent tax and revenue legal obligations. Our teams of investigators collaborated with event organisers, security suppliers, local authorities, safety advisory groups and the police in the planning stages of 26 major festivals and events across the UK to ensure that private security operatives

were appropriately licensed. This greatly enhanced our intelligence picture in respect of these venues and events and will further focus the direction and nature of our planned activity for the coming year.

## **Intelligence and partner work**

Our Intelligence work helps us understand threats within the private security industry, including any risk to the SIA in delivering against our core statutory responsibilities and strategic priorities.

The volume of high-risk intelligence we receive and develop increases year on year. In 2024-25, we received over 6,300 intelligence reports on high-risk strategic priorities. Organisation-wide, we shared over 3,000 items of information and intelligence with our partners through our Partner Information Exchange. This information is pivotal to the organisation being able to operate a fit-for-purpose licensing regime and Approved Contractor Scheme which are capable of upholding public protection.

Our analytical function continues to increase understanding relating to operational, tactical and strategic risks affecting the private security industry. In 2024, we enhanced our understanding of labour exploitation within private security through detailed analysis of this evolving threat. This work launched our proactive approach to tackling this threat with partners and industry under “Operation Empower”. We similarly

provided intelligence support and analysis to “Operation Benchmark”, our enhanced response to malpractice in the delivery of licence-linked training.

We have also reviewed and revised our current working practices to enhance our effectiveness and efficiency. This has included the development of a triage centre intended to respond and act on allegations of non-compliance within the private security industry, as well as the implementation of quality assurance frameworks for our intelligence, inspections and enforcement functions.

## **Criminal enforcement**

The vast majority of those working within or alongside the private security industry are trained and fully cognisant about the requirements of the Private Security Industry Act 2001 (PSIA). However, there are still those who choose not to comply and who abuse the trust and confidence the public rightly expects to have in the industry.

Where we need to, we have the will and capability to prosecute offenders, not just for offences under the PSIA but also for other offences where the regulatory regime is undermined and where the public have been put at greatest risk.

At year end, we had 107 live criminal investigations into 62 businesses and 72 individuals and had closed an

additional 91 investigations. Last year approximately 60% of our criminal cases involved offences under the PSIA, with 40% involving criminal offences connected to security licensing and provision of security. Those investigations included those into complex and serious offending under the Fraud Act 2006, the Identity and Documents Act 2010 and the Forgery and Counterfeiting Act 1981. We also apply for company directors' disqualifications through our legal services team.

Of the 27 cases taken forward for prosecution, 91% resulted in positive outcomes resulting in sentences ranging from immediate 12 months custody to 53.5 months in suspended prison sentences, over £5,980 of fines and cost orders in excess of £28,099.

## **Confiscation orders and the Proceeds of Crime Act**

We are a 'designated body' under the Proceeds of Crime Act 2002 (POCA) and last year our expanded team of accredited financial investigators acquired additional powers. These now include the ability to conduct our own money laundering investigations, for example related to the provision of unlicensed security. Financial activity included securing restraint orders designed to ensure the proceeds of criminal activity are protected prior to and during a court hearing. It also included production orders served on financial institutions to obtain financial information on those

who we suspect have financially benefitted from their criminality.

This year we secured confiscation orders on £40,831 worth of criminal proceeds gained through criminal activity with over £50,000 pending.

Confiscation acts as a deterrent to others and disrupts the ability of individuals to use money gained through criminality to re-enter the private security industry as a new business. It also ensures that those who engage in criminal activity within the private security industry do not benefit financially from their crimes, and in some cases allows for compensation to their victims.

The confiscated monies fund the SIA's Grants for Good Causes scheme. The beneficiaries of this year's grants are Centre for Action on Rape and Abuse, The Haven Wolverhampton Charity, and Rising Sun. These organisations have distinct roles but share a common goal: working with victims and survivors of sexual violence and child sexual abuse, violence against women and girls, and domestic abuse.

## Our strategic themes

This is year two of our three-year strategic plan for 2023-26. In addition to our core activities of licensing, standards and compliance, we measure our progress against the six strategic themes set out in our strategic plan.

### **Regulating effectively**

We will improve our effectiveness by focussing on improved public protection outcomes as we operate a robust, risk-based, licensing and compliance regime.

### **Regulating efficiently**

We will provide value for money by spending well and being efficient in discharging our responsibilities and delivering our purpose.

### **Improving individual standards**

We will ensure entry training and behavioural standards keep pace with public expectations and support the private security industry in taking responsibility for improving training standards further.

### **Improving business standards**

We will work with the industry to improve the standards security businesses work to and promote the value of good standards in security provision.

## **Driving strategic partnerships**

We will use our influence as a respected regulator and work jointly with key partners to secure compliance, drive higher standards and improve public confidence in private security provision.

## **Supporting our people**

We will support our employees to give their best, perform at the highest level, continually improve their skills and fulfil their potential to ensure that we meet our public protection aims and deliver high quality services.

# Achievements against strategic themes

## Regulating effectively

*Improving our effectiveness by focusing on improved public protection outcomes as we operate a robust, risk-based licensing and compliance regime.*

## Improving engagement with licence holders and businesses

We continued to build engagement with individual front line licence holders and private security businesses to understand their experience with the licence application process as well as other matters affecting them in their work in the private security industry.

We relaunched our special interest group (SIG) for front line licence holders with a new interview format, to more directly engage with individuals and encourage a more natural, open discussion on their experience with the SIA and their role in the industry. During the pilot exercise for the new SIG, the licence holders gave varied and insightful responses to the interview questions, demonstrating the effectiveness of the new approach. We are taking forward the new SIG as part of core business from 1 April 2025. We will collate

and analyse the responses, identify improvement opportunities and provide regular updates to the SIA's Strategic Stakeholder Forum.

We have also launched a new survey for businesses, aimed at gathering feedback on the support they receive from our dedicated Business Support team. The survey responses will help us identify areas where we can improve the impact of the support we give them with the application process and develop better ways of working. The survey will also give us important insight into the challenges businesses face in the industry and highlight trends we need to be aware of.

## **Guidance for licence holders**

We used our seasonal information campaigns to remind security operatives of their public safety critical training. We supported industry readiness for the introduction of mandatory refresher training from 1 April 2025 with a concerted information campaign across our external channels. We issued guidance, FAQs and regular reminders aimed at door supervisors and security guards. Our social media posts on refresher training were the most viewed of the year, generating over 70,000 impressions. This year we explored the feasibility of a digital welcome pack and concluded that this would not provide the most cost-efficient means of delivering critical information to licence holders. We will continue to improve how we use all our channels, in particular

social media, to deliver innovative content in a timely, engaging and cost-efficient manner.

## **Professionalising Investigation and Intelligence Professionalisation training**

We arranged the in-house delivery of the Professionalising Investigation Programme (PIP) for our inspections, compliance and enforcement staff. This consisted of two weeks of classroom-based training for investigation officers to start their journey to become PIP accredited. They will complete a third week of training online.

PIP provides a structured and consistent development and maintenance programme for investigative skills. It delivers the capability to conduct professional investigations at all levels both in the police service and in other organisations that undertake law enforcement. The overarching aim of PIP is to deliver registration, examination, training, workplace assessment and accreditation to a national standard at each level.

The training is the initial part of the programme; staff will submit annual portfolios of work from April 2026 to ensure they meet the standards of investigation.

We also delivered Intelligence Professionalisation Programme (IPP) training. Our intelligence team have started this twelve-month programme to evidence their competency in line with nationally recognised standards

determined by the College of Policing, which are consistent across law enforcement agencies.

## **Sports stewards**

We worked closely with the Sports Ground Safety Authority (SGSA) to produce mapping that will allow qualified stewards the potential to fast-track the Door Supervision training requirement. We hope this will provide a useful saving both for businesses and for individuals who wish to work in sectors with some shared skillsets. Our joint work with the SGSA and local authorities across England has continued to improve understanding of the Sports Ground Exemption and ensure compliance in this area.

## **Licence conditions**

We continue to explore ways of leveraging licence conditions to reduce risks associated with cash-in-hand and agency arrangements. Our partnership with HM Revenue & Customs has continued throughout the year and we continue to make progress towards achieving a legislative gateway to improve information sharing between the two agencies. Our joint operational work has focused on intelligence inspections and case work where cash-in-hand payments and wages below the living wage are suspected. We continue to deliver this under Operation Empower looking at labour exploitation concerns and visa abuse, the latter being supported by

increasing levels of partnership work with Home Office Immigration Enforcement colleagues.

## **Training criminality and malpractice**

In 2024-25 we saw a 50% increase in training malpractice cases which have been managed under our “Operation Benchmark”. This is our new and enhanced response to combatting abuse, criminality and malpractice in the delivery of licence-linked training. We increased unannounced visits to training providers by 17% (from 70 visits in 2023-24 to 82 visits in 2024-25), reset expectations, and improved information sharing with the awarding organisations. This has supported them in withdrawing approval to deliver licence-linked qualifications from 11 private sector commercial training providers.

## **Qualification training summit**

We arranged our first qualification awarding organisation CEO summit, where plans were agreed to produce a register of trainers, scope for an Ofqual reporting tool to reduce duplication of effort across awarding organisations, refresh ‘Get Training’, and look into options to improve the effectiveness of and consistency in approach to reported training criminality and malpractice. We will build on the foundations set at the summit and under Operation Benchmark with increased regulatory oversight and involvement with tackling

training abuse and improved cooperation with awarding organisations.

## **Operation Empower**

We set up a dedicated multi-disciplinary team across the SIA to bring together relevant external stakeholders to collectively address labour exploitation in the security industry. This is under the banner of “Operation Empower”. This combined a number of approaches, including an intensive media campaign supported by security companies and the key private security industry membership bodies, and a collective operational response from SIA investigators, working closely with the lead agencies HM Revenue & Customs (HMRC) and Home Office Immigration Enforcement.

Our SIA operational response included multi-agency operations including unannounced inspection visits to 35 sites across the UK in one day. We also adapted our approach to inspections at festivals and events during the summer to include engagement with operatives to verify their employment status and who they were employed by. That work identified 283 individual cases where we identified concerns about employment status.

We also held two in-person industry summits, to which we invited senior representatives from the largest private security companies to discuss ways that we and they could combat labour exploitation together. We are developing key workstreams based on the discussions

and putting industry names to actions to take forward. We are planning further engagement to capture the expertise and knowledge from others across the UK private security industry.

## **Regulating efficiently**

*Provide value for money by spending well and being efficient in discharging our responsibilities and delivering our purpose.*

### **Independent Public Body Review of the Security Industry Authority (2024)**

In March 2025 we welcomed the publication of a review of the SIA and of the regulatory regime for private security. Public body reviews provide an opportunity for government departments to ensure they are satisfied that an arm's length body such as the SIA is operating with a clear purpose using an appropriate delivery model.

The review confirmed that the SIA has challenged itself to increase efficiency to contain the cost of its operations. The review also reaffirmed that the SIA is best placed in its current form to deliver the licensing of regulated security roles and the regulation of private security.

We were particularly pleased that the review acknowledges the work licensed security operatives do to protect the UK. The review encourages them to “continue to work with the SIA as an expert and authoritative regulator that is punching above its weight to encourage the highest standards in the profession”.

The review made 10 recommendations for the SIA to consider. A number of these we were already delivering on and/or were in progress. At the end of March 2025 three recommendations have been completed. We have agreed and set up new governance arrangements to track and monitor implementation of all the recommendations.

## **Procurement**

In the first half of the year, our Procurement team implemented governmental commercial standards and audit recommendations, leading to improved contract and supplier management efficiency. In the second half of the year, we undertook training in preparation for policy changes ahead of the February 2025 introduction of the new national procurement regulations. All members of the Procurement Team received and passed the official government training modules for the new Procurement Act. We also updated our Procurement Policy to reflect the changes to the regulations.

## **ICT service improvements**

We implemented changes to the ICT service provision for our staff to improve the digital tools they have to carry out their jobs efficiently and effectively. We also improved the equipment provisioning processes which has allowed us to decrease the time it takes to onboard new starters.

We changed our mobile phone network provider to offer more flexible tariffs for staff working in the field, which has enabled us to enhance the service provided to our inspections colleagues and supporting their critical work.

Other improvements included the implementation of a new cyber-security solution that gives us greater cyber capabilities and assurance across our infrastructure. We also enhanced and fully tested a new Disaster Recovery solution. This has given further confidence that we are well equipped to protect our live services in the event of a disaster or unplanned shut-down event.

## **Upgrades to internal systems: Customer Relationship Management (CRM)**

We successfully completed the Organisation CRM upgrades. This took the on-premise ACS legacy CRM product and migrated it to Microsoft Dynamics 365 cloud service. This gives us a more secure, dynamic and robust platform that allows for quicker upgrades, software updates and security patching in line with our Data and Digital strategy.

## **Groundwork for new user journey for approved contractors**

We have completed the discovery work for the requirements of a new Organisation Portal, which will set out a brand-new user journey for businesses using the Approved Contractor Scheme. We are also now liaising with the Business Standards programme team who are developing the new Business Approval Scheme to ensure alignment, so that the final product, when introduced, will be fit for purpose for the future. This will enable us to complete the work once we get the capital investment required to do so.

## **Data platform**

Our new internal platform to support a single shared view of our case-related data is now live. It is a secure database that holds the most up-to-date people, organisation and location data from our individual licensing, business accreditation and intelligence systems. It also has a single search tool that offers an easy mechanism to search for any individual or business that is held in our core systems, conveniently prioritising the most recent record. This has the potential to create material efficiencies for our staff, especially those doing intelligence, assessment and triage work.

## **People Portal and People CRM**

We began the discovery phase for the People Portal and People CRM projects. These will see us building

a new digital service for our core individual licensing application services and mitigating some of the current pain points for licence applicants. As we move into the next financial year, we are confident that these projects will deliver a number of efficiencies.

## Improving individual standards

*Ensuring entry training and behavioural standards keep pace with public expectations and supporting the private security industry in taking responsibility for improving training standards further.*

### Refresher Training

We ensured that the licence-linked qualifications remain relevant by making safety-critical updates. We worked with partners to agree content for and implement the continuing refresher training requirements for the Door Supervisor and Security Guard qualifications, which have been compulsory for all renewals since 1 April 2025. This ensures that operatives in these sectors will have up-to-date training in those safety-critical skills that might otherwise be subject to skill fade.

### Security-specific first aid at work

We introduced new and vital skills to help combat spiking and worked with the Health and Safety Executive to implement the sector-specific syllabus

for first aid that fulfils recommendations from the Manchester Arena Inquiry.

## **Support for the Security Industry Skills Board**

We supported the Security Industry Skills Board as the strategic skills entity able to drive skills and improvement in the private security industry above and beyond the regulatory requirements. In the past year the industry-led Skills Board has become established as a Community Interest Company and successfully launched a number of products and initiatives.

Part of our support work with the Skills Board included the development of a private security industry profession map, which sets out the learning, skills and attributes needed for roles within the sector. This will allow individuals to manage their careers and learning. We also assisted the Skills Board in implementing the 'Momentum' project, which has established a network of mentors across the country to help develop talent and present the industry as a career of choice.

We have also supported the development of an operating model for a future Skills Academy.

## Improving business standards

*Working with the industry to improve the standards security businesses work to and promote the value of good standards in security provision.*

### Business Approval Scheme (BAS)

We launched our public consultation in February 2024 on the key principles that will underpin the new Business Approval Scheme. We sought views on:

- the case for change in principle
- the SIA's emerging thinking on changes it proposes to develop further
- whether there are other changes it should consider as it develops the scheme

We published the findings from the consultation on 11 July 2024. We received over 400 responses to the consultation from across the UK. Respondents were mainly from the private security industry (86%). The majority were approved contractors, with the next largest number being non-ACS private security businesses followed by individual licence holders. Overall, respondents broadly supported the proposed approach. The themes emerging from the consultation included the importance of skills, professional development, training and industry experience.

We initiated Phase 2 of the BAS Programme by developing and sharing the scheme design with the BAS external Advisory Group and SIA Programme Board.

## **Engagement with the private security industry to improve standards**

We held a host of key events, bringing together a variety of stakeholders from a cross-section of the industry to discuss and promote various key regulatory and public protection messages. Our programme of business visits continued this year designed to support approved contractors as well as those applying for the ACS.

## **Buyers of security**

We continue to work with the Government's Crown Commercial department to ensure ACS is a mandatory component for government when purchasing private security, as they develop their next Facilities Management and Security Framework.

We held sessions with a range of stakeholders with a focus on engaging with their buyers. This work will continue at pace in the next business year.

We also brought together an advisory group of key industry buyers to provide their expertise as we shape our new Business Approval Scheme.

## Driving strategic partnerships

*Using our influence as a respected regulator and working jointly with key partners to secure compliance, drive higher standards and improve public confidence in private security provision.*

## Marking the 20th anniversary of the SIA licensing regime

Our ‘SIA at 20’ campaign provided the opportunity to showcase stories of excellence and the professional contribution to public safety from the regulated security industry in the last 20 years. We highlighted the role of women in private security on International Women’s Day and acts of bravery by security operatives for International Security Operatives’ Day.

In July 2024 we held a Parliamentary reception to honour the work of frontline security officers. The event, hosted by the SIA’s first Chair Baroness Meacher, received positive feedback from the industry, particularly the front line officers who attended. They welcomed the opportunity to be seen and appreciated.

## Understanding the industry better

We completed research initiatives that developed our understanding of the private security industry and will help inform evidence-based policy making. We conducted research into skills needs and more general economic and demographic trends. This work includes

the effect of changing demographics in the licensed population and its effect on language skills.

## **Public safety and compliance campaigns**

We continued to support the government's public protection priorities in keys areas where the private security industry plays a critical role.

In our summer safety campaign, we emphasised the need for diligence from the events and festivals sector during their busiest time of year. Our guidance 'Hiring security for events' highlighted the responsibility of suppliers of security to check that operatives deployed hold a valid and genuine SIA licence. This message resonated, generating over 10,000 impressions on LinkedIn – making it one of the most popular messages of the campaign. We amplified the activity of our regional inspection teams and explained the rigour of our compliance checks during the season through a Q&A-style blog with our events tactical lead. We also reminded security operatives of their public safety critical training and shared best practice information around safety at public events and festivals.

We launched our autumn/winter campaign with the National Police Chiefs' Council (NPCC) "Spiking Week of Action" in September. As part of the university fresher's season push, we promoted messages from the NPCC around public safety and our guidance helping people in vulnerable situations, especially

those who have been spiked. The autumn/winter campaign marked key dates in the festive calendar right up to New Year's Day. To maintain momentum, we created a downloadable toolkit for partners such as the National Protective Security Authority (NPSA) and Counter Terrorism Policing to amplify key public safety messages for the public and licence holders.

Our content for the licensed sector included reminders on spotting signs of vulnerability, the availability of the free WAVE e-learning training, restraining safely and the Action Counters Terrorism training. The campaign generated 263,000 impressions on our social media channels, up 26% from the previous year.

## **Welfare and Vulnerability Engagement**

We launched the new Welfare and Vulnerability Engagement (WAVE) e-learning package in partnership with Safer Business Network.

This course has been developed to provide those working in the night-time economy with an awareness of vulnerability and to improve or refresh their knowledge on effectively handling and responding to vulnerability in their surroundings.

As part of the launch, the SIA secured 33,000 sessions for SIA licence holders to take the training free of charge and in their own time. The e-learning course is voluntary, can be accessed through mobile app,

tablet or PC and takes around 45 minutes to complete. It is accredited by Highfield and is equal to a Level 2 qualification in welfare and vulnerability.

There are multiple modules within the course focusing on raising awareness about vulnerability. It includes topics like spiking, 'Ask for Angela', intervention techniques, and what to consider when someone refuses an offer of help. To date 5,000 licence holders have completed the learning.

## **Information feeds**

We progressed a number of workstreams to enhance the quality of our information feeds. These included close work with the National Police Chiefs' Council and several UK police services to improve our approach to sharing information and increase understanding regarding our regulatory regime. We produced minimum standards regarding our approach to partner information-sharing to enhance our effectiveness in this space. We also finalised data-sharing agreements with Police Scotland and the Police Service of Northern Ireland in support of this work.

## **Strategic threat assessment**

We worked with trusted partners as part of the Government Agency Intelligence Network and through our single points of contacts working within the counter terrorism and organised crime space. We shared our strategic assessment, as we do on an annual basis, with

our partners to identify areas of crossover and potential collaboration. We are also involved in partnership working groups on a range of topics including organised criminality and infrastructure crime. We identified and progressed several collaborative initiatives with statutory organisations including His Majesty's Revenue & Customs, Home Office Immigration & Enforcement and the Gangmasters and Labour Abuse Authority.

## **'Clear, Hold, Build'**

We worked proactively with police, local authority licensing and partners on concerns around serious and organised crime within the industry. This included analytical support to the 'Clear, Hold, Build' serious and organised crime initiative. We also increased intelligence-led joint inspection activity and information sharing with Home Office Immigration and Enforcement, particularly where we suspect visa abuses and exploitation of operatives working on overseas student visas.

## Supporting our people

*Supporting our employees to give their best, perform at the highest level, continually improve their skills and fulfil their potential to ensure that we meet our public protection aims and deliver high quality services.*

### Our people

We are a small but growing organisation licensing hundreds of thousands of people across the UK, regulating a substantial industry and raising standards in a complex landscape. Everything we do is ultimately delivered through our people and workforce. By continuing to ensure we have the capacity, skills and culture we need in the SIA, we will be agile and able to continue to work effectively to protect the public.

2024-25 was the second year of our People Strategy supporting our Strategic Plan 2023-26. The People Strategy focuses on six priority themes: the employee journey; supporting employees to realise their potential; developing inspirational managers and leaders; pay, reward and recognition for our employees; one inclusive workforce; and a quality HR service for everyone. Our people must be at the heart of our approach and our People Strategy recognises this.

## Recruitment and induction

The SIA needs to be able to attract and retain the right talent to achieve its objectives. We have committed to improving recruitment for applicants and induction for new recruits, line managers and onboarding staff to support this outcome.

We continue to work to fully implement and optimise the recruitment and applicant tracking system. We plan to transition to the Government Recruitment Service in the first quarter of 2025-26, which will provide the SIA with enhanced functionality and improved reporting capabilities.

## Strategic workforce planning

We need to maintain turnover at an optimum level through effective workforce and succession planning, to ensure that we have the capacity and capability now and in the future to deliver our objectives. Turnover has been relatively stable in 2024-25 and within the retention target we set of 85%.

This year we have a new strategic workforce plan that we are now putting into effect.

## Performance management

We are keen to ensure consistent performance management to drive increased personal responsibility for self-development. We are consulting our staff on the modification of our staff appraisal process to focus

on behaviours and our values, as well as performance against objectives. We introduced a new learning management system to support better development planning for all staff in future.

## **Leadership and management development**

We want to have a good leadership and line management cadre with the requisite knowledge and skills, supported by aspiring, motivated staff. This year we rolled out our ‘Chorus’ and ‘Symphony’ leadership and management training programmes that we developed last year.

In addition to ‘Chorus’ (senior leaders) and ‘Symphony’ (managers), we are also developing a new programme, ‘Cadence’, for aspiring managers. We are using the lessons learnt from the ‘Symphony’ programme to inform best practice.

## **Pay and reward**

We want our employees to be, and to feel, fairly rewarded for their knowledge, experience and performance. This year we were able to revalorise the pay scales, within the central pay restrictions set, which had been a long-standing ambition. We work constructively with the recognised trade union on collective bargaining.

We have continued to support a cost-of-living plan that focuses on pay and reward, wider employee benefits,

signposting staff to support, and financial stress as a wellbeing issue. We continue to explore options to refine our pay framework for the future in line with Cabinet Office guidance.

## **Human Resources (HR) continuous improvement**

It is important to ensure that the policies we use are legislatively compliant, up-to-date, and fit for purpose for our needs. We invested time and expert resource in 2024-25 to update some of our policies including our pay, organisational design, flexible working and working arrangements policies.

## **Our inclusive culture**

We have a strong ethos and vision for an inclusive culture at the SIA. We need and want a culture where difference is valued, respected and used positively, and our people are and feel included.

Our commitment is to ensure that we are a great employer that values and welcomes the different backgrounds, ideas, identities, skills, behaviours and experiences of our people. We are outward-looking and understand and appreciate the diversity of the private security sector we regulate. Internally we will have a workforce which is inclusive and diverse, and where employees fully represent and understand the public that we serve. We have several active staff networks supporting this.

We have a 54:46 female to male gender split, and over a third of our workforce are located outside of London and the South East. We are proud of the diversity of our staff. 54% declare as white, while 46% identify as being from all other ethnic groups combined. This ratio is higher than many other parts of government (the UK civil service average is 14.3%) and is higher than the London civil service average of 38%. This ratio is however, as in many organisations, lower at senior leadership levels, which is one of the areas we have been working on. Diversity of representation in our wider senior leadership team has increased although the headcount numbers are small (in 2020 it was 14%, it is now 35% i.e. 6 people out of a total of 17).

## **Employee Forum and staff survey**

Good employee engagement is an important strand of supporting our effective and motivated workforce. We partnered with an external organisation this year to support us in introducing an employee forum in 2024-25. We continue to use a range of other forums as well – staff survey, staff networks and the EDI Committee – to ensure that employee voices are heard within the SIA.

We seek feedback annually from our employees through a survey and are committed to acting on the themes identified to inform our people approaches for the future. The response rate to the survey in 2024-25 was 70% (238 of 342 staff completing). The overall survey result

score (average score against the 11 themes) was 77.5% (76.9% in 2023-24). The highest-scoring theme was 'Being empowered & supported' (81.6%) and the lowest was 'Building capability' (70.3%).

A senior leadership team working group, made up from the senior teams in each directorate, has created a responsive and measurable action plan based on the results of the most recent staff survey.

## **Environmental, social and community performance**

### **Sustainability**

We are committed to working to ensure that we take proper account of the impact of our activities on the environment. Performance in relation to greenhouse gas emissions, waste management and finite resource consumption is set out in the following tables. We are dependent on building-wide arrangements under the control of, and provision of this data from, our landlords the Government Property Agency (GPA). In 2025 GPA confirmed that they had removed gas from our energy supply.

Consumption has increased post-COVID-19 pandemic due to the increased attendance in the building but still remains below pre-pandemic levels. Our workforce consists of office-based and remote workers and currently occupies part of one floor of a shared

government hub building. The Greening Government Commitments set out the actions UK government departments will take to reduce their impacts on the environment in the period 2021 to 2025.

We have adopted a working arrangements policy, based on our estates strategy, under which individuals should attend 1-2 days a week and for engagement activities such as team meetings, inductions and large meetings. Part of our estates strategy means reducing the space we occupy, decreasing both energy consumption and waste production.

## **Sustainable procurement**

Our sustainable procurement policy is to ensure we meet our needs for goods, services, works and utilities in a way that achieves value for money on a whole-life basis whilst minimising damage to the environment. We use Crown Commercial Services framework contracts for the majority of our procurement. We invite tenders for goods and services through 'Buying Solutions'.

## **Our future strategy**

We are committed to reducing our impact on the environment in line with the Greening Government Commitments and will continue our efforts to reduce our greenhouse gas emissions.

The SIA is working towards Net Zero by 2050 and adapting to climate change by doing the following:

- in line with our data and digital strategy, automate and improve our IT processes where possible in order to further minimise the use of paper
- procure sustainable technology and digital services with the aim of achieving long term value for money with traceability of ICT at end of life
- climate-resilient design incorporated into relevant projects
- with over 30% of our licence holders, ACS companies and industry stakeholders concentrated in and around London and the South East, the continued location of the office in Canary Wharf facilitates easy travel by public transport to in-person visits and stakeholder events
- implement measures targeting the reduction of energy consumption and minimising waste including the removal of single-use plastic
- reduce our office space

A proposal to reduce our office space by a further 30% during 2024-25 did not take place for reasons outside our control. However, we did make a reduction of 23% in May 2025, just after the end of the financial year.

Other targets or sub-targets identified by the Greening Government Commitment are not deemed to be relevant to the SIA. These targets, such as 'Nature recovery' and 'Adapting to climate change' relate to land, estate and building management. As a tenant

of the Government Property Agency (GPA), these are areas outside our direct control.

The SIA does not currently own, hire or lease car fleets.

Performance in relation to greenhouse gas emissions, waste management and finite resource consumption is set out in the following tables.

**Table 2: Greenhouse Gas Emissions**

	2024-25		2023-24	
	Consumption kWh	Cost £	Consumption kWh	Cost £
<b>Direct Emissions</b>	—	—	—	—
<b>Indirect Emissions</b>				
Electricity: Non-renewable*	—	—	—	Not available
Electricity: Renewable*	340,239	Not available	316,705	Not available
Gas*	3,687	Not available	10,670	Not available

\* The building occupied by the SIA has moved from a non-renewable tariff to 100% renewable green tariff.

\*\* In early 2025 the building occupied by the SIA installed air source heat pumps and discontinued the use of gas.

**Table 3: Official business travel**

	2024-25	2023-24		
	Consumption CO2	Cost £	Consumption CO2	Cost £
Private fleet business travel*	Not available	131,615	Not available	161,767
Rail business travel	Not available	137,601	Not available	155,062
Other business travel	Not available	101,997	Not available	62,240
<b>Total business travel</b>	<b>Not available**</b>	<b>371,213</b>	<b>Not available**</b>	<b>379,603</b>

\* Refers to the use of staff's own vehicles for work purposes, for which they claim back mileage.

\*\* Third party supplier unable to provide CO2 data.

**Table 4: Waste minimisation and management**

	2024-25	2023-24		
	Consumption Kgs	Cost £	Consumption Kgs	Cost £
<b>Hazardous waste</b>	—	—	—	—
<b>Non-hazardous waste</b>				
Landfill	—	Not available	—	Not available

	2024-25	2023-24		
	Consumption Kgs	Cost £	Consumption Kgs	Cost £
Recycled/ Reused*	1,519	Not available	1,727	Not available
Incinerated	—	—	—	—
ICT waste recycled, reused and recovered (externally)	Not available	Not available	Not available	Not available
Waste incinerated with energy recovery	1,568	Not available	1,768	Not available
Waste incinerated without energy recovery	—	—	—	—
Waste composted/ food waste	276	Not available	244	Not available
<b>Total waste</b>	<b>3,363</b>	<b>Not available</b>	<b>3,739</b>	<b>Not available</b>

\* Where information is stated as 'not available' our landlord was unable to provide this information.

## Table 5: Finite resource consumption

	2024-25		2023-24	
	Consumption M <sup>3</sup>	Cost £	Consumption M <sup>3</sup>	Cost £
Water supply*	674.9	Not available	783.4	Not available

*\* Based upon calculations supplied by the landlord in relation to the proportion of SIA usage against that of the whole building. Average water usage per person remains proportionate to the number of people in the building. The Facilities team at the SIA has outlined measures to employees on methods to reduce our use of water and has made suggestions to our landlord on how to cut water usage across the whole building.*

*Our landlord has been unable to supply information for the SIA to fully report against requirements in this section. We will continue to seek this data from our landlord in the next financial year to meet the requirements.*

## Recycling

We continue to maintain a reduced rate of printing. Last year we reported on reducing our printing paper usage from 597,500 sheets of paper in 2017-18 (office printing alone – home printing figures were not available during this time period) to 173,750 sheets of paper in 2023-24 (office and home printing). In 2024-25 we reduced our usage further to 145,000 sheets of printer paper. This

decrease in printing paper usage means we continue to exceed the 50% reduction requested by the Greening Government Commitments.

## **Procurement**

We invite tenders for goods and services through 'Buying Solutions' provided by the Government Procurement Service.

## **Approved Contractor Scheme (ACS)**

In seeking ACS status, companies must comply with a set of corporate and social responsibility standards which are laid out in the accreditation guidance. In this way we actively promote corporate and social responsibility in the regulated sector.

## **Equality and diversity duties**

Our Equality, Diversity and Inclusion Strategy sets out our vision, commitment and objectives in support of our People Strategy. This is complemented by an action plan. We take seriously our duties under the Equality Act 2010.

We are an equal opportunities employer. We give full and fair consideration to all applications for employment, and we welcome applications from everyone, regardless of race, sex, disability, sexual orientation, religion or belief, age, marriage and civil partnership, gender reassignment, pregnancy and maternity.

We pay regard to the particular aptitudes and abilities of people with disabilities. We continue the employment of, and arrange appropriate support for, our employees who have a disability during the period. We support the career development and promotion of disabled persons that we employ.

We have a culture that champions and is based on inclusion. As an employer, the diversity of our employees, including their backgrounds, experiences and locations enriches us and enables us to better carry out our services to licence holders and our role as a regulator. We value the skills and qualities each employee brings with them into the organisation. We are proud of the diverse nature of our organisation and continue seeking to develop a culture within our organisation that reflects our strong values surrounding the importance of inclusion in our work.

## Financial review

### Overview

The SIA operates on a three-year licensing cycle, with two high years and one lower year. Financial year 2024-25 is the end of the second year in the cycle, which is a higher volume year. The outcome for 2024-25 was an operating deficit of £1.3m (before interest and tax), which is in line with the forecast, and £0.6m less favourable than the prior year position (where we reported a deficit of £0.7m).

To ensure that we do not hold unnecessary reserves, we applied a reduction to the individual licence fee in April 2020, reducing the price from the statutory fee of £210 to £190. We funded the reduction, which was agreed by HM Treasury, from accumulated reserves from previous cycles. This is referred to as our rebate scheme.

From 6 April 2023 we further reduced the individual statutory licence fee payable from £210 to £204, reducing the price to the individual from £190 to £184 when the rebate was applied. When adjusted for the licence rebate scheme, the outcome for 2024-25 was a surplus of £2.5m. We will use both this and the surplus from the previous year to offset the deficit in 2025-2026.

The rebate scheme started in 2020 and is in place for a maximum of two licensing cycles (six years) with the aim of utilising a historic accumulated reserve balance (circa £18m), as approved by HM Treasury, to ensure that we did not hold any unnecessary reserves. It is due to end by 31 March 2026. The rebate, applied at the point of payment, was established at £20 based on the volume of applications we expected over the six-year period (circa 800,000). At the end of the third year of this period, the accumulated reserve balance remains on course to be fully diminished by March 2026, and potentially earlier.

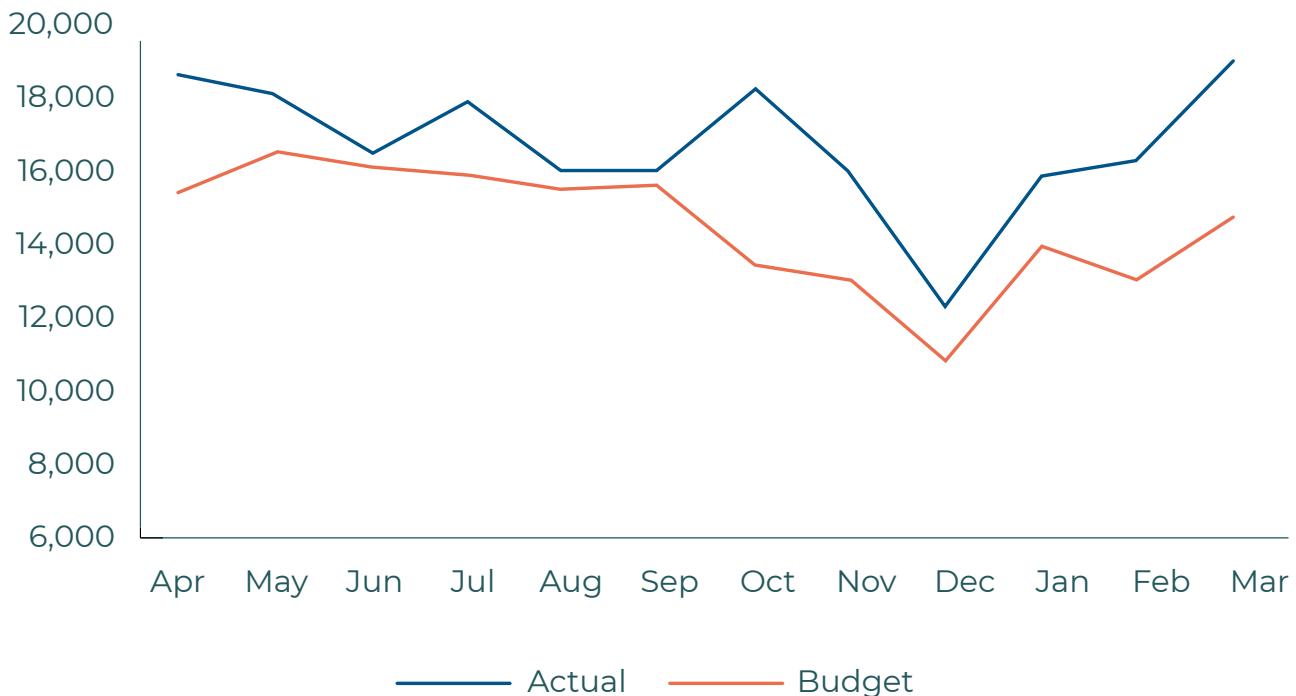
## Income

In setting the budget for 2024-25, we considered three forecast models which ranged between ‘prudent’ and ‘optimistic’ predicted outcomes in respect of the licence application demand. We adopted the centralised predictive model, which was a similar approach to prior years. Following higher volumes than forecast during the year, we refreshed our budget assumptions in quarter three and adopted a more optimistic outlook for our revised full year forecast. At the end of financial year 2024-25, licensing income was 3% higher than our adjusted central model and ACS income was 5% better than forecast.

Figure 1 below shows actual licensing demand performance against the original budgeted prediction and illustrates the volatile nature of demand on a month-on-month basis. There was a significant spike in volumes in the last two periods of 2024-25.

Whilst we are unable to categorically determine a single causal factor, we note that the spike towards March 2025 corresponds with a spike in student visa holders applying for licences and a growing number of applicants from other nationalities. Also contributing was the impact of the necessity for licence holders to perform mandatory refresher training in April 2025, which led to them applying for licences earlier.

## Figure 1: Licence application volumes in 2024-25



## Expenditure

Expenditure for the financial year was £38.4m, which was less than 10% higher than our original budget.

The variance against budget was incurred in the following areas:

### – Licensing costs (£1.9m):

variable contractual licensing costs increased due to the higher levels of demand than forecast but were also offset by further efficiencies achieved in this category of spend

### – Legal costs (£1.4m):

driven by the need for external legal advice on specialist matters and providing for potential costs

### – IT costs (£0.2m):

increased costs due to SMS service charges

We offset the increase in costs by achieving savings and efficiencies in the year through the negotiation of existing contract terms, organisational restructure and streamlining of roles where possible, carrying out work in-house rather than externally, and from the reduction in our office space.

A summary of the last three years' results is shown in Table 6 below. We conduct a full annual fee review each financial year in line with Managing Public Money, which assesses whether the fees are set at the appropriate level.

**Table 6: Summary of financial results:  
2022-23 to 2024-25**

	2024-25	2023-24	2022-23
Application numbers*	200,177	179,211	157,815
	£'000	£'000	£'000
Licence fees	34,781	31,149	28,242
ACS	2,310	2,179	2,093
Other	17	75	31
<b>Total self-generated income</b>	<b>37,108</b>	<b>33,403</b>	<b>30,366</b>
Staff costs	21,033	19,585	17,962
Licensing costs	10,292	7,647	7,407
Amortisation and depreciation	1,364	1,210	2,176

	2024-25	2023-24	2022-23
Other expenditure	5,734	5,709	5,625
<b>Total operating expenditure</b>	<b>38,423</b>	<b>34,151</b>	<b>33,170</b>
<b>Operating surplus/(deficit)**</b>	<b>(1,315)</b>	<b>(748)</b>	<b>(2,804)</b>

\* Paid for application number differs from number of licences issued because not all licence applications are approved.

\*\* Before tax and interest.

## Funding considerations

We fund our operation through licence fees from individuals and Approved Contractor Scheme (ACS) subscriptions. We are required by HM Treasury to operate on a full cost recovery basis. Regarding the setting of fee levels, in accordance with government regulations (Managing Public Money, section 6.3), we require HM Treasury consent for all proposals to extend or vary charging schemes. The ACS is a voluntary scheme by which companies seek to attain SIA approved contractor status.

All individual licences (excluding vehicle immobilisation) have a three-year lifespan, with the licence application fee paid in full in the first year (applications for an additional licence in another sector are charged at a 50% reduction).

Income follows a three-year cycle.

In making a decision about fee levels, our Board has to take into account the following factors:

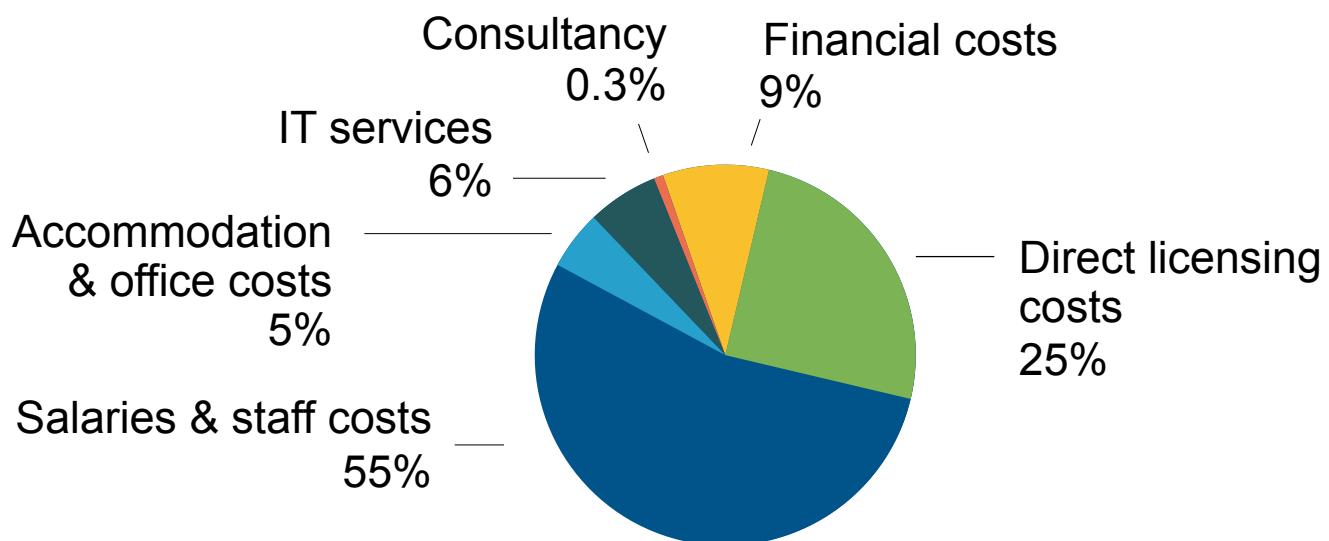
- the fluctuation of income over the three-year licence demand cycle
- the requirement to provide the industry and individuals with cost stability by ensuring that the fees do not fluctuate on an annual basis
- the requirement in Managing Public Money only to recover costs and avoid making material surpluses or deficits

## **How we spent the licence fee**

From April 2023, we reduced the statutory fee from £210 to £204. Once the rebate scheme is applied, this reduced the fee payable for individuals from £190 to £184 for a three-year licence (except for vehicle immobilising in Northern Ireland, which is a one-year licence). The fee is now at its lowest level since 2004; if adjusted for inflation over this period using the Consumer Price Index, the licence fee would have been £440 at March 2025.

A breakdown of the way we spent the licence fee in 2024-25 is set out in Figure 2 below.

## Figure 2: Breakdown of the way the licence fee was spent in 2024-25



## Payment practice

We follow the principles of the Better Payment Practice Code, in accordance with HM Treasury guidelines. We aim to pay suppliers within ten days of the receipt of a valid invoice, provided that the relevant invoice is properly presented and is not subject to dispute.

**Michelle Russell**

Chief Executive and Accounting Officer  
Security Industry Authority  
9 July 2025

# Accountability report

## Director's report

### Composition of the management Board

**Table 7: Executive directors during the year 1 April 2024 to 31 March 2025**

<b>Michelle Russell</b>	Chief Executive and Accounting Officer
<b>Paul Fullwood</b>	Director of Inspections and Enforcement
<b>Pete Easterbrook (from 1 February 2025)</b>	Interim Director of Inspections and Enforcement
<b>Dr Natalie Benton (until 31 December 2024)</b>	Director of Corporate Services
<b>Fiona Wilson (from 10 January 2025)</b>	Interim Director of Corporate Services
<b>Dianne Tranmer (until 30 June 2024)</b>	Director of Transformation
<b>Fiona Wilson (1 July 2024 to 9 January 2025)</b>	Interim Director of Transformation
<b>Phil Urquhart (from 20 January 2025)</b>	Director of Transformation
<b>Tim Archer (from 3 June 2024)</b>	Director of Licensing and Standards

**Table 8: Non-executive directors during the year 1 April 2024 to 31 March 2025**

<b>Heather Baily QPM</b>	Chair
<b>Trevor Reaney CBE<sup>1</sup></b>	
<b>Zoe Billingham CBE<sup>2</sup></b>	
<b>Simon James</b>	Chair of Audit and Risk Assurance Committee
<b>Duncan Worsell<sup>3</sup></b>	Chair of People Committee
<b>Paul Glibbery</b>	
<b>Caroline Corby<sup>4</sup></b>	Deputy Chair, Board
<b>Hannah Wadey<sup>5</sup></b>	
<b>Steve Grainger<sup>6</sup></b>	

<sup>1</sup> Stepped down as Board non-executive director and Deputy Chair in November 2024.

<sup>2</sup> Stepped down as Board non-executive director in December 2024. Appointed as co-opted non-executive director in January 2025 for Martyn's Law Strategic Oversight Committee.

<sup>3</sup> Member of ARAC and People Committee, then Chair of People Committee from January 2025.

<sup>4</sup> Appointed as Deputy Chair of Board from January 2025.

<sup>5</sup> Appointed in March 2025, replaced Zoe Billingham.

<sup>6</sup> Appointed in March 2025, as an additional non-executive director, with particular expertise and background relevant to the SIA taking on new Martyn's Law functions.

## Pension liabilities

Details of the pension schemes of which our staff are members can be found on page 143.

## Register of interests

We maintain and refresh a register of other paid and unpaid employments, Board appointments and significant interests held by Board members throughout the year. The register ensures that we identify any perceived or real conflicts of interest. Additionally, we ask Board members to declare any new conflicts of interest at each Board and Committee meeting.

We publish a register of interests on the SIA GOV.UK webpages at: [gov.uk/government/organisations/security-industry-authority/about/our-governance](https://gov.uk/government/organisations/security-industry-authority/about/our-governance).

## **Statement of Accounting Officer's responsibilities for the SIA**

Under the Private Security Industry Act 2001, the Secretary of State for the Home Office has directed the Security Industry Authority to prepare for each financial year a statement of accounts in the form and the basis set out in the accounts direction.

The accounts are prepared on an accrual basis and must give a true and fair view of the state of our affairs and of our income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the Secretary of State for the Home Office with the approval of the Treasury, in accordance with Schedule 1, paragraph 16(2) of the Private Security Industry Act 2001, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual

- have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis; and
  - confirm the Annual Report and Accounts is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Permanent Secretary for the Home Office has designated me as Accounting Officer for the SIA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records, and for safeguarding the SIA's assets, are set out in Managing Public Money published by HM Treasury. Details may be accessed online at [hm-treasury.gov.uk](https://www.gov.uk/government/publications/managing-public-money).

## **Statement regarding disclosure of information to the auditors**

I can confirm that, as far as I am aware, there is no relevant audit information of which the SIA's auditors are unaware.

I can confirm that I have taken all necessary steps to make myself aware of any relevant audit information and to establish that the SIA's auditors are aware of that information.

I can confirm that the SIA Annual Report and Accounts is fair, balanced and understandable. I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

A handwritten signature in black ink, appearing to read "Michelle Russell".

**Michelle Russell**  
Chief Executive and Accounting Officer  
Security Industry Authority  
9 July 2025

# Governance statement

This report covers the operating period from 1 April 2024 to 31 March 2025, to the point of the signing of the Annual Report and Accounts by the Accounting Officer. It describes the composition and organisation of our governance structures and the systems and processes we put in place to ensure effective governance that support the delivery of our statutory remit and strategic objectives and minimise risk of failure.

The governance structure incorporates requirements from the 'Code of Conduct for Board Members of Public Bodies' June 2019, ensuring all Board members comply with and conduct themselves in line with the highest professional standards. The principles apply to all non-executive directors and are embedded throughout the recruitment, induction and performance management process. The SIA governance structure is designed to respond to this code of conduct ensuring all non-executive directors adhere to the requirements.

The governance framework also complies with the main principles for risk management in government, as contained in 'The Orange Book – Management of Risk: Principles and Concepts, 2023'.

As the Chief Executive and Accounting Officer of the SIA, I am accountable for maintaining an effective

system of governance, internal control and risk management to support our statutory functions and the achievement of Home Office policy, whilst safeguarding public funds and SIA assets.

The Board receives regular reports on risk and performance, both as part of the Chief Executive's report and the quarterly risk reports. The Board sets the overall risk appetite for all strategic risks, reviewed on an annual basis, the most recent review being September 2024. The Board has delegated responsibility for risk management to the Audit and Risk Assurance Committee, which receives the corporate risk register at each meeting and conducts deep dives into specific risks.

The SIA executive and wider senior leadership team receive monthly risk reports ensuring real-time management of emerging and changing risks.

There is a well-established escalation process both within the organisation and to the Home Office, where necessary.

Other than any breaches mentioned in the relevant section(s) of this report, I have not been advised by my executive directors, and can confirm that I am not aware, of any issues occurring that have required additional funding, material loss or overspend, or have resulted in any significant loss.

I can confirm that I have reviewed governance, internal controls and risk management in operation with my area of responsibility and am able to provide the following assurances.

## **The SIA – The Authority**

The SIA 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.

The SIA must have a Chair and no fewer than five other members as the Secretary of the 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. In recognition of our new role as Martyn’s Law Regulator, the Secretary of State agreed to an increase in our members to six non-executive directors.

The SIA must have a Chief Executive and appoint staff to carry out the day-to-day responsibilities of the SIA. All staff are public servants, not civil servants.

The SIA is a public body. Its non-executive directors and staff are bound by the principles of better regulation, that its work will be transparent, accountable, consistent, proportionate and targeted, as well as by

other public sector duties, including equalities legislation and in respect of promoting economic growth.

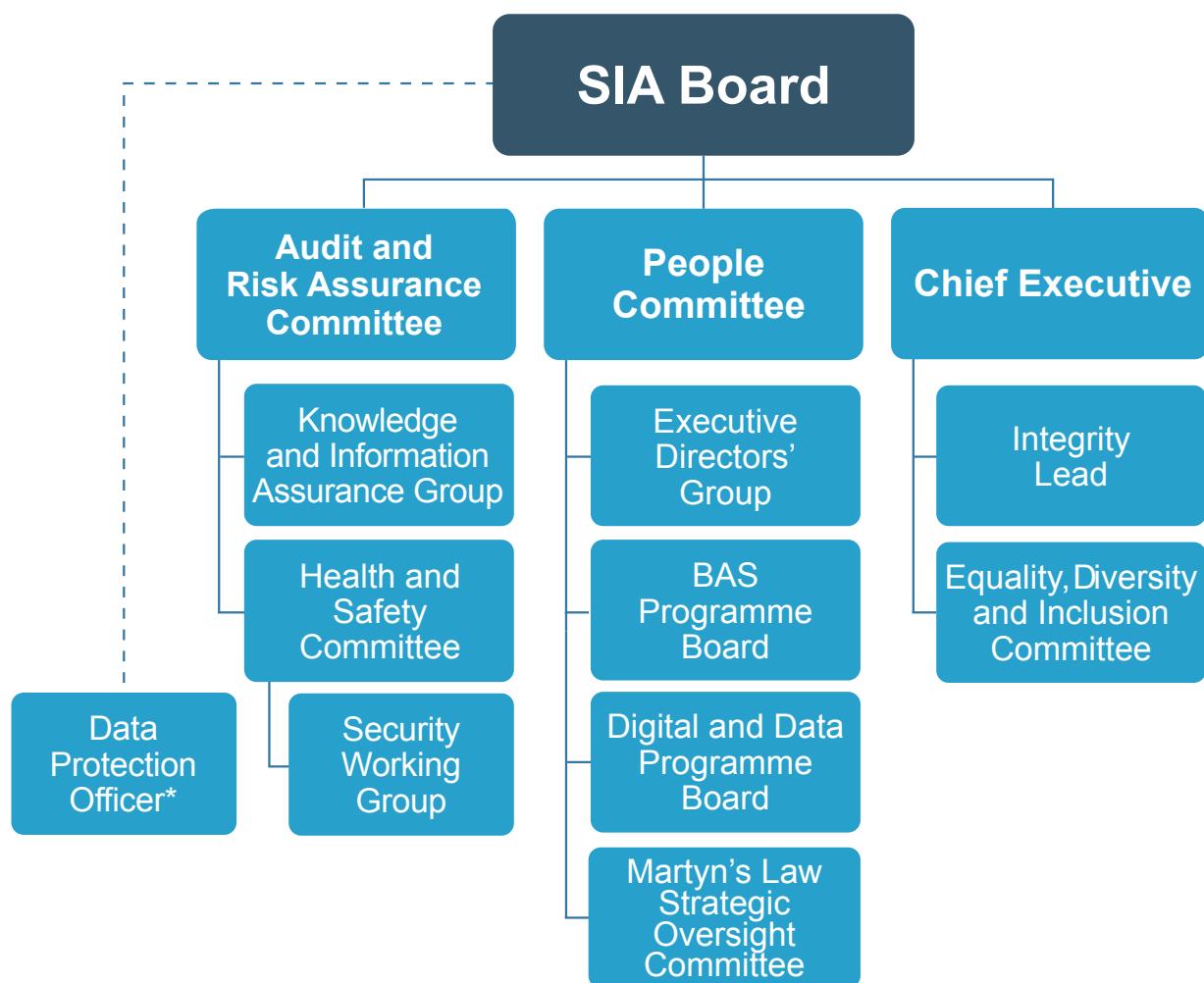
## The Board

The Board composition includes the Chief Executive, non-executive directors and executive directors. Its role is to set and take forward the strategic aims and objectives of the SIA, ensuring compliance with statutory and administrative responsibilities for the use of public funds, and that the organisation operates within the boundaries of its statutory remit and any delegated financial authority defined in the Framework Agreement with the Home Office.

We thank the Board members who departed during the financial year: Trevor Reaney (Deputy Chair), Zoe Billingham, and executives Dianne Tranmer, Natalie Benton and Fiona Wilson, for their commitment and work during their time on the SIA Board.

The Board has established two committees, the People Committee and the Audit and Risk Assurance Committee, acting in an advisory capacity on behalf of the Board to the executive, providing recommendations to the Board on matters requiring its approval.

## Figure 3: High level governance arrangements



\* Because of the nature of the Data Protection Officer (DPO) role, they must report to the highest management level and so they have regular and direct contact with the Chair.

## Board effectiveness

We conduct an external review of effectiveness on a three-year cycle, the last in 2022-23, with internal annual reviews for the other two years, the most recent being in 2024. We have implemented the 2024 outcomes making further improvements in governance documentation and access to information, increased ARAC scrutiny and oversight, and stakeholder engagement.

We have a defined and consistently-applied approach to Board and Committee reporting, to ensure Board and Committee members have up-to-date and accurate oversight of performance and risk. Papers are assured by the lead director and Chief Executive. The executive group meets prior to the quarterly Board meetings to review all items to be considered by the Board. This ensures visibility, and ensures coherence and coordination with shared responsibilities, risks and issues. Prior to the Board meeting we encourage members to seek clarity on the information contained in papers to support scrutiny and decision-making.

For a second year we are hosting a boardroom apprentice as part of the scheme run by the Ministry of Housing, Communities and Local Government. We also have regular staff observers at Board meetings and share the Board highlights for the wider organisation.

## People Committee

This committee reports to the Board and comprises three non-executive directors and a co-opted member. The purpose of the committee is to support the Board and Chief Executive by:

- reviewing the performance and remuneration of the Chief Executive
- considering staff annual pay and reward proposals, including executive directors
- providing scrutiny, advice and oversight on strategic employment, remuneration, and equality, diversity and inclusion (EDI) matters

At each meeting the committee considers our people-related corporate risks, the Health and Safety Committee report and the EDI Committee update.

Annually, the committee also receives reports on the gender and ethnicity pay gaps and the outcomes and improvement priorities from the annual staff survey. The most recent version of each of these reports is from 2024.

## **Audit and Risk Assurance Committee (ARAC)**

ARAC reports to the Board and comprises at least three non-executive directors. The purpose of the committee is to support the Board and Chief Executive by:

- agreeing internal and external audit plans
- reviewing and monitoring the actions arising from audit reports
- ensuring effective oversight of risk management, internal controls and governance
- scrutinising the integrity and accuracy of the Annual Report and Accounts

At each meeting the committee receives reports on:

- integrity from the responsible executive director and considers matters relating to integrity, including fraud, bribery and corruption
- information management from the Data Protection Officer and considers the security of our data and information assets
- risk management from the Head of Risk and Information Assurance and provides oversight of risk management and assurance processes

Management assurances for both committees include:

- performance and financial reporting
- risk reporting
- committee reports to the Board
- self-assessment of effectiveness reporting

**Table 9: Non-executive director attendance in financial year 2024-25**

Board member	Board <sup>2</sup>	People Committee	Audit and Risk Assurance Committee
Heather Baily <sup>3</sup>	7/7	2/5	2/4
Zoe Billingham <sup>4</sup>	2/5	3/4	Not applicable
Caroline Corby	6/7	5/5	4/4
Paul Glibbery	5/7	3/5	2/4
Steve Grainger <sup>5</sup>	Not applicable	Not applicable	Not applicable
Simon James	6/7	Not applicable	4/4
Trevor Reaney <sup>6</sup>	4/4	2/3	2/3
Hannah Wadey <sup>7</sup>	Not applicable	Not applicable	Not applicable
Duncan Worsell	5/7	4/5	3/4

*1 The Chair is not a member of either committee; she attended ARAC as an observer.*

*2 Includes all quarterly meetings and strategy days.*

*3 Heather Baily attends Committee meetings at least once a year as an observer.*

*4 Left Board and People Committee in December 2024.*

*5 Took up appointment in March 2025, first governance meetings in 2025-26.*

*6 Left Board in November 2024.*

*7 Took up appointment in March 2025, first governance meetings in 2025-26.*

## **Main elements of internal controls**

The Accounting Officer has responsibility for maintaining a sound system of internal control that supports the achievement of the SIA's aims, priorities and objectives, whilst safeguarding public funds and departmental assets for which they are personally responsible, in accordance with the responsibilities assigned to them in Managing Public Money. Reliance is placed on the output and work of the Audit and Risk Assurance Committee (ARAC). Further assurance is received from the findings of internal audits provided by the Government Internal Audit Agency (GIAA) and their annual opinion and report which for the year ended 31 March 2025 was 'Moderate' – details can be found within the 'Internal Audit' section further below.

## **Management of risk**

Our Risk Management Framework supports the active management of risks that might affect our ability to deliver our business and corporate objectives. It embodies the core principles of 'The Orange Book – Management of Risk – Principles and Concepts 2023'.

Risks are scored using a risk matrix. This maps risk impact against the likelihood of the risk materialising. Each risk is assigned a risk appetite in line with our risk appetite statement.

## **Risk appetite monitoring and reporting**

Our risk appetite statement is set by the Board and considers operational priorities and operating conditions. It contains four levels of appetite and sets out our position for different types of risk against these.

Our risk appetite statement is reviewed annually by the Board. These reviews consider the environment in which we operate, our responsibilities and stakeholder expectations. It was last reviewed in September 2024.

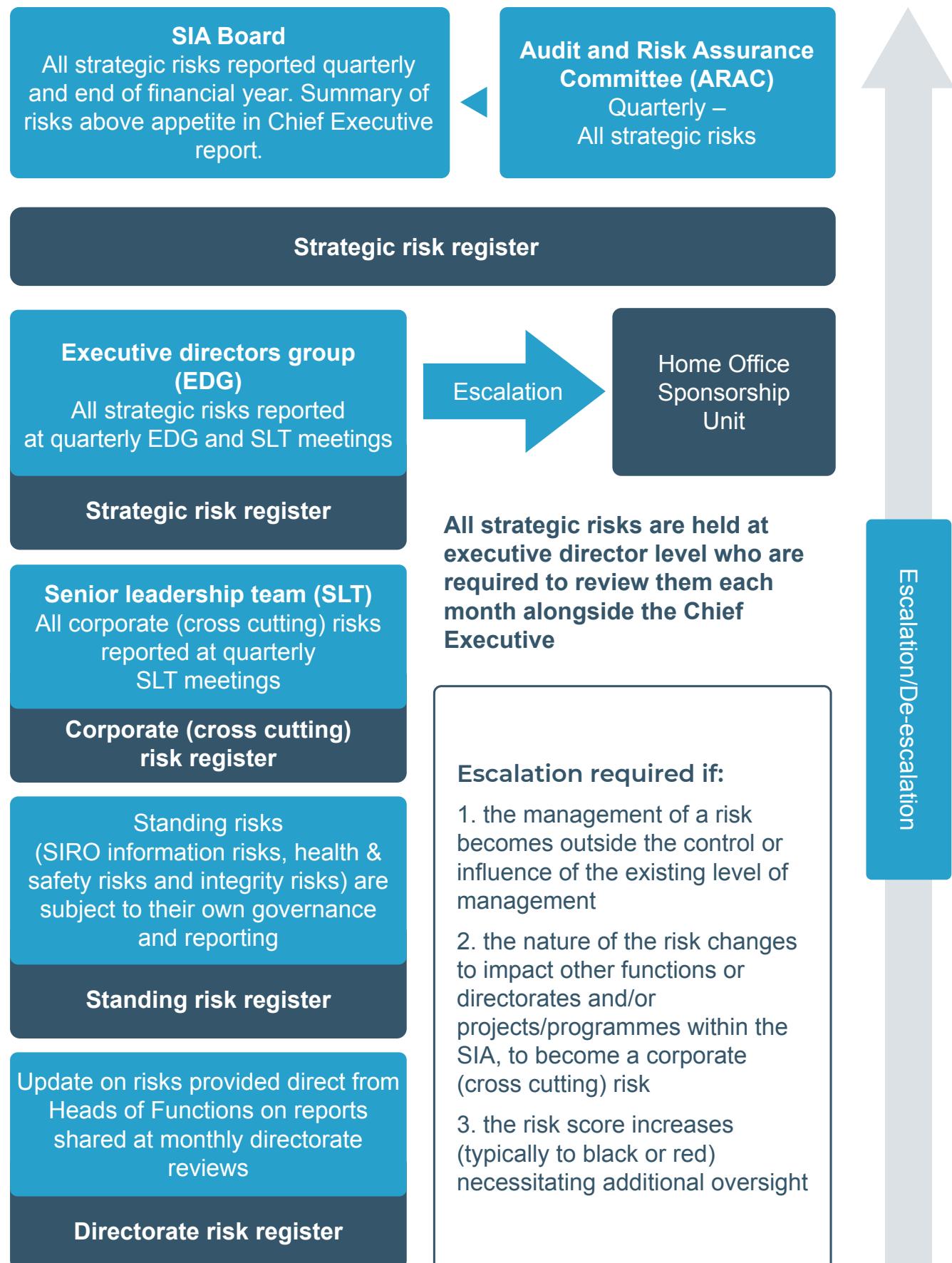
The statement is supported by guidance to aid understanding and help ensure consistency in approach.

Our four risk appetites are reflected in Figure 4 below.

### Figure 4: Risk appetite levels

Open	The SIA is willing to consider all potential options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward.
Cautious	Preference for safer delivery options that have a low degree of inherent risk.
Minimalist	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have potential for limited reward.
Averse	Avoidance of risk and uncertainty is a key organisational objective.

## Figure 5: Risk reporting cycle



Risk review, monitoring and assurance of the management of risk are as follows:

- the Risk and Information Assurance function facilitates and supports the management of risks
- new strategic risks are identified at executive director and/or Board level
- each of the standing risks – information (SIRO) risks, health and safety and integrity have separate governance groups for oversight
- risks are also identified at directorate level with responsibility usually held by the individual Head of Function
- regular (at least quarterly) risk reviews are carried out at directorate level with responsibility held by the executive director
- presentation and discussion of key risks takes place monthly and/or bi-monthly within the four directorates and quarterly at the senior leadership team meeting
- the executive individually and as appropriate collectively reviews the strategic level risk register and the actions being taken to manage risks
- the Audit and Risk Assurance Committee meets four times annually to seek assurances and report their views to the Board

## **Risk management**

As of 31 March 2025, there were 9 strategic corporate risks.

## Principal risks and key mitigating factors

Table 10 below describes the current risks and mitigations.

**Table 10: Current risks and their mitigations**

Risk title	Mitigations	Appetite
Failure to successfully implement Martyn's Law, on time and without unduly disrupting delivery of SIA's PSIA role objectives and priorities	<ul style="list-style-type: none"> <li>– Risk jointly owned with Home Office</li> <li>– Martyn's Law Committee created</li> <li>– Once funding agreed, SIA set-up team to be created</li> </ul>	Minimalist
Failure to deliver an effective compliance, supervision and enforcement strategy	<ul style="list-style-type: none"> <li>– Regulatory Powers group</li> <li>– Prosecution framework</li> <li>– Inspections and tasking framework</li> <li>– Intelligence handling framework</li> <li>– Strategic threat assessment</li> </ul>	Minimalist
Financial health – Failure to manage financial resources effectively	<ul style="list-style-type: none"> <li>– Monthly management accounts reporting</li> <li>– Accounting Officer governance</li> <li>– Monthly meetings with Home Office finance</li> <li>– National Audit Office auditing process</li> </ul>	Cautious

Risk title	Mitigations	Appetite
People – Failure to attract, retain and develop our staff to ensure capability and capacity to deliver our objectives	<ul style="list-style-type: none"> <li>– HR Policies</li> <li>– People and EDI Strategy</li> <li>– New workforce plan</li> <li>– Workforce planning data and reporting</li> </ul>	Open
Vulnerabilities in the individual licensing regime and its operation	<ul style="list-style-type: none"> <li>– Individual licensing framework</li> <li>– Decisions Review Group</li> <li>– Changes to Get Licensed</li> </ul>	Averse
Failure to effectively deliver and implement the Business Approvals Strategy Programme	<ul style="list-style-type: none"> <li>– External Advisory Committee</li> <li>– Quarterly reporting of programme to Board</li> <li>– Quarterly Business Approval Scheme Board</li> </ul>	Open
Inadequate regulatory oversight of the qualification awarding arrangements in the sector	<ul style="list-style-type: none"> <li>– Risk escalated to Home Office identifying regulatory gaps</li> <li>– Operation Benchmark created</li> </ul>	Averse

Risk title	Mitigations	Appetite
Failure to effectively mitigate an incident that significantly impacts the confidentiality, integrity and/or availability of SIA information	<ul style="list-style-type: none"> <li>– Managed Detection and Response Service</li> <li>– Ongoing development and maintenance of positive information security culture</li> </ul>	Minimalist
Failure to achieve a stable and sustainable financial position as a result of the spending review	<ul style="list-style-type: none"> <li>– SIA submissions on consequences of proposed reductions and regular SIA and Home Office engagement</li> </ul>	Cautious

In addition, there are three standing risk areas. These cover Health and Safety, Integrity and Information risks. All associated risks are supported with active controls.

## Assurance framework

The SIA operates a thematic Management Assurance Framework. This is aligned to Government Functional Standards and SIA's Risk Management Framework which outline requirements for lines of assurance activity. It also represents compliance against relevant Functional Standards. This framework provides the assurance information relied on by the Accounting Officer.

## Professional standards

In 2023 we established a centralised Professional Standards Team to promote and encourage cultural awareness of integrity-related risks and professional standards, acting as a source of best practice, specialist knowledge, advice and guidance.

In 2023 we introduced the SIA Fraud, Bribery and Corruption Risk Assessment (FRA) covering the entire organisation. This is now an established document which we review on a quarterly basis.

The Professional Standards Team maintain the FRA and other areas detailed within Government Functional Standard 13 (GovS 013: Counter Fraud). These areas include integrity awareness training, monitoring of the declarations of interest and the hospitality registers, record keeping in relation to instances/evidence of fraud, corruption and bribery, proactive detection activity and investigation.

The revised SIA Code of Conduct was launched in April 2024. The purpose of this updated code is to give confidence in our ability to show the highest levels of personal and professional behaviour. The Code of Conduct was launched across the SIA to align our values, ensuring a more accessible and supportive document that reflects who we are at the SIA. It provides clarity on what we can expect from each other

as colleagues, as well as what we mean by acceptable and unacceptable behaviour.

An Integrity Health check is in place and works alongside the annual appraisals. The document focuses on 3 areas – Hospitality, Declarations of Interest, and Fraud, Bribery and Corruption.

Professional Standards also delivered a communications plan which has allowed us to normalise conversation in these areas and support managers. We have seen this generate new declarations of interest, numerous contacts for advice and some intelligence relating to integrity-related issues.

## **Declarations of interest**

We have a policy and procedure for the declaration and management of interests in place for all staff. Our employees are subject to our new code of conduct. Under the code, employees agree:

*You should ensure you declare any actual, potential or perceived conflict of interest as soon as reasonably practicable. Any business interests outside the SIA should be notified to the Professional Standards Team to ensure the appropriate record is made and consideration given to putting mitigations in place.*

These requirements apply to all staff, including any contingent labour.

All our employees must declare upfront interests which do, or might, give rise to a conflict-of-interest situation in light of their role with the SIA so we can decide if action needs to be taken to manage them. We provide guidance to all staff about what constitutes a conflict of interest. We require an annual declaration by all staff. We make staff aware that outside of the annual reporting cycle, there is an ongoing requirement for them to declare any actual, potential or perceived conflicts for the duration of their employment.

We also have a similar process in place for staff who are involved in making procurement assessments, whereby we require staff to make a positive declaration in respect of the specific project they are working on. This requirement also extends to external parties such as those bidding for work and their subcontractors.

We publish relevant interests declared by senior officials, including any external employment, in the register of interests on the SIA GOV.UK webpages at: [gov.uk/government/organisations/security-industry-authority/about/our-governance](https://gov.uk/government/organisations/security-industry-authority/about/our-governance).

We do not publish interests declared by others, including contractors, consultants and other staff, but one of our integrity leads reviews them upon receipt to help identify any action that we may need to take to mitigate the interest. The integrity leads report

material conflicts of interest issues to the Audit and Risk Assurance Committee.

## **Business continuity and contingency planning**

In 2024 we worked with an external organisation to review our existing business continuity processes to identify potential areas of improvement. They identified a number of recommendations that we are currently implementing.

Once all the recommendations have been embedded, we will conduct an organisation-wide business security exercise to test the effectiveness of the new process. The exercise is scheduled to take place in late 2025.

## **Fraud and whistleblowing**

We have internal controls in place to mitigate risk from fraud, bribery, corruption and wrongdoing. This includes the introduction of the SIA Fraud Risk Assessment and strong financial and procurement controls.

The executive director-level Integrity Lead oversees governance, investigation and reporting to the Audit and Risk Assurance Committee of any allegations or reported incidents. There were no reported instances of fraud in the year 2024-25 (2023-24: Nil).

There were no reported instances of whistleblowing during the year.

## **Financial management – resource allocation, budget and asset management**

The annual business and budget planning process provides the strategic framework for resource, budget and asset management. The annual Business Plan underpins the 2023-26 Strategic Plan, defining our key deliverables for the year ahead. The annual budget provides the financial and resource plan to deliver those objectives. The Board, Home Office and Ministers approve the annual Business Plan 2024-25. The Home Office confirm financial allocations based on our budget requirements.

Each executive director and head of function with budget responsibility receives a letter of delegation. The Finance team conduct monthly budget meetings to track spend and ensure accurate forecasts on a quarterly basis. The Strategy and Governance team monitor functional plan deliverables. Both teams provide detailed reports and analysis on financial performance and delivery.

The licensing fee is reviewed annually by the Board.

## Programme and project management

We delivered a number of key corporate Data and Digital projects in 2024-25. These included Organisation CRM (Customer Relationship Management) which took the old business accreditation CRM product and upgraded it to Microsoft Dynamics 365. This gives us a more secure, dynamic and robust product that allows for quicker upgrades, updates and security ‘patching’ in line with our Data and Digital strategy.

We have completed the discovery work for the new requirements for the Organisation Portal, which will set a brand-new user journey for businesses using the Approved Contractor Scheme. We have paused the delivery for funding reasons and to ensure alignment with the new Business Approval Scheme requirements when the final product will be introduced and it is fit for purpose in the future. This will enable us to complete the work once we get the capital investment required to do so.

Our new internal platform, called the Common Data Platform, to support a single shared view of case-related data is now live. It is a secure database that holds the most up-to-date people, organisation and location data from our individual licensing, business accreditation and intelligence systems. It also has a single search tool that offers an easy mechanism to search for any individual or

business that is held in our core systems, conveniently showcasing the most up-to-date records.

We have begun the discovery phase for the People Portal & People CRM projects that will see us building a new digital service and robust project for the individual licensing services. The Discovery phase-in showcased that we have over 2,000 pieces of customised technology, 20 external system integrations and multiple data layers, alongside some key user pain points. All of these will need to be rectified in the next phase of the projects. As we move into the next financial year we are confident that these projects will deliver a number of efficiencies.

We have implemented a new cyber-security solution that gives us more confidence in our IT protection across all of our infrastructure.

We have enhanced and tested a new Disaster Recovery solution. In essence we took the live system down and then rolled up the disaster recovery product and worked on it for a week before we rolled back to the main system. This has given the business confidence that we are equipped to protect our live service in the event of a disaster.

We have invested in our hardware tools for the organisation by upgrading laptops that are out of service. We also changed our phone network provider

to offer flexible tariffs for staff in the field, which has enabled us to enhance the service for our inspection and enforcement colleagues thereby supporting their critical work.

## **People management – workforce planning and development**

As part of the 2024-25 business planning cycle and budget preparation, we undertook a comprehensive review of each area's business and workforce requirements. This process involved rigorous scrutiny and approval from the Business Planning team, Finance, HR, executive directors and the Chief Executive. The outcome of this collaborative process included a number of efficiencies, enabling the reallocation of resources to new or high-priority areas.

This year, we developed and agreed our Corporate Workforce Plan for 2024-2026, with a focus on capacity, capability and gap analysis. The plan was shaped through a series of workshops with the senior leadership team and was subject to scrutiny and input from the People Committee. It has resulted in three key themes to help us achieve our vision: Supporting Potential, Becoming an Employer of Choice and Building the SIA for the Future. The Strategic Workforce Plan sits alongside the People Strategy and the HR Improvement Plan, providing a coherent framework for delivering

our people priorities and strengthening organisational performance.

We refreshed our People Strategy, which underpins delivery of the Strategic Plan 2023-26, and we continue to scrutinise its implementation at the monthly executive director meetings, incorporating a quarterly progress update on People Strategy actions.

We have enhanced the presentation and reporting of workforce management information, including key areas such as recruitment, sickness absence and wellbeing, turnover and employee relations. Additionally, we introduced strengthened financial and HR controls relating to establishment changes, temporary promotions and the use of additional responsibility allowances.

Significant workforce matters are escalated and reported to the People Committee, where they are subject to quarterly scrutiny.

All staff are security cleared prior to employment in line with their role requirements, either through the Home Office Departmental Security Unit (at DV, SC, or CTC level) or via a third-party contractor (at BPSS level). Our onboarding process for new starters has also been updated and further enhancement of the induction process is planned.

We continue to support employee wellbeing through a comprehensive programme of mental health awareness and engagement initiatives. This includes training for both mental health first aiders and line managers to ensure a supportive and inclusive working environment.

## Our inclusion work

The Equality, Diversity and Inclusion (EDI) Committee is chaired by the Chief Executive and has cross-functional membership, including the senior leadership team, staff networks and human resources. It also includes a rotation non-executive director as an observer.

The committee has a strong vision of inclusion that it actively champions, promotes and supports. We seek the views of staff through pulse surveys and have a key performance indicator specifically for EDI performance.

Every executive director and members of the senior leadership team support our staff-led networks, which include:

- Mental health and well being
- Raising Awareness of Culture and Ethnicity (RACE)
- Pride; LGBTQI+ network
- Parents and Carers
- Gender
- Disability

This year we challenged these groups to review how they contribute to the effective running of the business and focus on supporting the workforce to do so.

## **Programme and project assurance**

Over the last year, the significance of implementing the projects within our Data and Digital strategy has increased. Projects include the Common Data Platform, People CRM and People Portal. These reflect that improving the technology available to the SIA by delivering Data and Digital projects will also result in providing a more efficient service for licence holders and assist in keeping the public safe.

To complement the drive to implement our Data and Digital strategy, our ways of working are also being reviewed and enhanced. Data and Digital project implementation leans towards Agile methodology. In future, two distinct project implementation frameworks (Agile and Waterfall) will be available to ensure appropriate governance is applied. It is on this new structure that project assurance will be applied.

Currently, work is ongoing to develop and agree the new ways of working. This involves liaising closely with Version 1 (our IT services supplier) to ensure their expertise is included in the process. It is anticipated that this work will be completed and implemented in summer 2025.

In the meantime, the focus of project assurance activity is on project risk reviews and increasing the awareness of project risk management.

## Information assurance

Over the past year we have made a lot of positive progress proactively working on improving the information assurance culture within the organisation (including cyber threat). The Information Assurance team has played a critical role in maintaining our security posture and regulatory compliance.

One of the key highlights and improvements was that the Information Assurance team successfully led the Cyber Essentials, Cyber Essentials Plus and PSN IT Health Check certifications in 2024-25, working collaboratively with our Information and Communications Technology (ICT) function to enhance supply chain security practices and ensuring robust incident handling.

In addition to these activities, the Information Assurance team also successfully conducted and completed a comprehensive annual audit on our asset management, ensuring that classification and labelling was in line with the assets handling process and that we have an up-to-date asset inventory.

As part of creating a robust process around information assurance, we now have a robust third-party supplier

assurance process that conducts security due diligence for all third-party suppliers handling sensitive data or providing critical or minor services to us. Evaluation of this included contractual assurance, security questionnaire, risk assessing and evidence-based validations.

After transition of operational security incident management responsibilities to the Information Security team in September 2024, the Information Assurance team now provides clear second line assurance on security incidents. This involves verifying proper documentation, closure of incidents, corrective actions and implementing mitigations. This supports in strengthening our security posture and the reduction of business risks.

## **Data protection**

Our Data Protection Officer (DPO) provides independent assurance that we process the personal data of our employees, customers, providers or any other individuals in compliance with the relevant data protection regulations.

The DPO provides a monthly report to the Senior Information Risk Owner (SIRO) within the Knowledge and Information Assurance Group and is responsible for reporting any serious data breaches to the Information Commissioner's Office as well as to our SIRO, Chair

and Chief Executive where necessary. The DPO also provides an annual assurance report to the Audit and Risk Assurance Committee.

The DPO supports senior managers to ensure that all staff have completed the Civil Service Security and Data Protection training. They also provide additional training to functions as required.

## **Data breaches reported to the Information Commissioner's Office**

We reported one data breach to the Information Commissioner's Office (ICO) between April 2024 and March 2025. This incident involved sensitive information being sent to the wrong address. We recovered the information and notified the data subject. We have strengthened our procedures to ensure this does not happen again. The ICO took no further action.

We were made aware of two referrals to the ICO, both claiming we had not responded to a Subject Access Request (SAR). One of the referrals found that we had not complied with the deadline, so we took immediate remedial action. The other found we had complied. The ICO took no further action with either referral.

## Information management

Given that the SIA has now been in existence for 20 years, we are now required to report historic information that should be retained for public record to The National Archives (TNA). We are slightly behind schedule while we review and refresh our overall retention policies. We are working with internal colleagues and TNA to design our Appraisal Policy as part of this. This will include the relevant selection criteria, allowing us to effectively identify and transfer records of interest to the public over the coming years.

## Internal audit

The Government Internal Audit Agency (GIAA) provides an independent audit service to the SIA. The annual audit programme is agreed in consultation between the Audit and Risk Assurance Committee, SIA's Chief Executive and the GIAA.

In 2024-25 four internal audit reviews were completed: Disaster Recovery, IT Security Controls, GDPR Compliance and an advisory audit on Recruitment and Onboarding.

The Disaster Recovery audit ended in a limited assurance and made 5 recommendations: 1 'high' and 4 'medium' priorities. The 'high' recommendation related to the delayed running of the disaster recovery

tests. This was subject to challenges with our external managed service provider but was successfully completed in January 2025. We have also provided evidence to support the completion of the other recommendations to the GIAA to support sign-off.

The IT Security Controls audit resulted in a limited assurance, whilst acknowledging the positive steps we have taken (and are in the process of taking) to help mitigate associated risks. The report made 5 recommendations: 1 'high' and 4 'medium' priorities. The 'high' recommendation related to having an approved Cyber Incident Response plan and scheduling desktop cyber security exercises. We have provided the evidence to show completion of this recommendation with the GIAA and brought forward the target dates for desktop exercises on our own initiative. Work is on track to support the completion of the remaining recommendations (or elements thereof) in line with agreed implementation dates.

Although we had two limited ratings this year, they were in the same business area the executive had asked to be independently assured. They were useful results to independently test the veracity assurances given to the Chief Executive and Audit and Risk Assurance Committee in the past. There has been a change in leadership in the Digital and Data area this year and the new Chief Digital and Data Officer will be reviewing and

assuring himself around other governance, controls and risk management in this area.

We received the GDPR Compliance engagement report. This provided moderate assurance and contained 6 recommendations: 4 'medium' and 2 'low'. Overall the report was positive, with recommendations focusing on improvements to GDPR training requirements, information management processes and documentation of Subject Access requests.

The Recruitment and Onboarding engagement advisory report has been received, recognising that there is a material amount of work to do. One of the reasons why this was conducted as an advisory report rather than as an audit was that the new Head of HR and team recognised there was still a lot of ongoing work in this area. The advisory report contained 7 suggested actions for consideration and review as the SIA completes its work in this area, including the implementation of the new applicant tracker system (moving over to the Government Recruitment Service) and rewrite of the old policy.

The GIAA's overall annual opinion for the year ended 31 March 2025 was 'Moderate'. This reflected the limited rating of two of the four audits, compared to zero in 2022-23 and 2023-24 and an increase in the number of 'high' and 'medium' recommendations from nine in 2023-24 to fourteen in 2024-25.

However, it was noted that we had made significant improvements in implementing audit actions within agreed timescales. There are now no overdue audit actions.

## **Customer Service Excellence**

Once again, we opted to be assessed against the Customer Service Excellence (CSE) standard led by the Quality Assurance Manager within the Risk and Assurance function. An assessor assures the work we do for our external customers such as licence holders, applicants and businesses, as well as our internal customers, the SIA staff. There are 52 criteria which fall under the following five categories:

- culture of the organisation
- customer insight
- information and access
- delivery
- timeliness and quality of service

This was the year one surveillance (second year of the 3-year cycle), and the assessment day took place on 18 April 2024. We were assessed as remaining fully compliant and maintained all our Compliance Plus grades, for a total of 16. This was a fantastic result and one that we are proud of, as it is testament to the hard work of all our staff.

The 2025 assessment has also begun.

## Functional Standards

Reporting against Functional Standards was not mandatory for 2024-25. Our Chief Executive, alongside the Head of Risk and Assurance, decided in any event to assess the SIA against all relevant standards. The outcome was extremely positive where we met almost all 'Shall' elements. All departments completed a self-assessment. Where gaps were identified, we developed action plans to address these in 2025-26.

Awareness and use of Functional Standards is now embedded widely across the SIA and compliance against these standards continues to be part of our Management Assurance Framework.

## Overall assessment

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control.

My review is informed by the work of the internal auditors and the SIA's senior executive and leadership teams, who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letters and other reports. In my opinion, the overall governance and internal control structures have been appropriate for the SIA's business and have worked satisfactorily throughout 2024-25.



**Michelle Russell**

Chief Executive and Accounting Officer

Security Industry Authority

9 July 2025

# Remuneration and staff report

## Executive

Although senior executives at non-departmental public bodies, including the Chief Executive, are not part of the Senior Civil Service and fall outside the remit of the Senior Salaries Review Body, we apply public sector pay policy and benchmarking when setting executive pay and annual increases. These principles also guide the consideration of any non-consolidated performance-related bonuses for executive directors.

The Chief Executive proposes salary levels and annual pay awards for executive directors, which are reviewed by the People Committee in line with its terms of reference. Similarly, the Chair recommends the Chief Executive's salary and pay award, with the People Committee providing advisory input.

## Remuneration

Our People Committee plays a key governance role in overseeing matters related to the workforce, including executive pay, performance and broader people-related strategies.

The Committee meets at least three times a year. The People Committee comprises four independent non-executive board members: Duncan Worsell (Chair), Caroline Corby, Paul Glibbery, and Hayley Kelly (co-opted).

The Chief Executive and Director of Corporate Services attend the meetings (excluding those where Chief Executive pay is discussed) as executives.

## Fair pay disclosures

### Salary payments to directors

*(Audited information)*

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the financial year 2024-25 was £155k-£160k (2023-24: £145k-£150k).

This was 4.2 times (2023-24, 4.2 times) the median remuneration of the workforce, which was £37,001 (2023-24, £34,805). This is a 3.7% increase on the prior year.

The percentile ratios have remained in line with the prior year with the exception of the salary component of pay

and benefits for the upper quartile and lower quartile. This is due to the pay award in 2024-25 being weighted more favourably to those within the lower quartile. No employees were paid more than the highest-paid director.

The highest-paid director (Chief Executive) did not receive a performance bonus in 2024-25. The remaining directors (apart from one who joined the SIA in January 2025) were paid a performance bonus in line with all other eligible staff.

**Table 11: Remuneration of the highest-paid director and the median remuneration of the workforce**

Total pay and benefits	2024-25	2023-24
Workforce remuneration	Multiple £	Multiple £
Median	4.2 37,870	4.2 35,245
Upper Quartile	3.3 47,801	3.3 44,079
Lower Quartile	5.0 31,653	5.1 29,000

Salary component of pay and benefits	2024-25	2023-24
Workforce remuneration	Multiple £	Multiple £
Median	4.3 37,001	4.2 34,805

Salary component of pay and benefits	2024-25	2023-24
Workforce remuneration	Multiple	£
Upper Quartile	3.4	47,000
Lower Quartile	5.0	31,201
	Multiple	£
	3.5	42,193
	5.4	27,097

### Note:

*The small movement in the median, upper and lower quartiles is due to organic fluctuations in staffing, including average tenure at grade, starters, leavers and promotions.*

The highest-paid director (the Chief Executive) received a 6.8% consolidated pay award in 2024-25 (2023-24: 4.5%); the same as other directors and in line with senior civil service pay remit guidance.

The SIA made a pay award in line with the Civil Service Pay Guidance of 5% underpinned at £1,825 to employees in delegated grades. With the revalorisation of pay bands, remuneration for employees as a whole increased by 5.4%.

Average salary and allowances for employees as a whole increased by 9.3% (2023-24: 2.7%). Remuneration ranged from £25k-£30k to £155k-£160k (2023-2024, £20k-£25k to £145k-£150k).

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

**Table 12: Remuneration of executive directors**

	Salary (£'000)		Performance payment (£'000)		Pension benefits (to nearest £'000)		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
	150-155	145-150	—	—	89,000	18,000	240-245	160-165
<b>Michelle Russell</b>								
<b>Dianne Tranmer</b> (Leaver 30 June 2024)	25-30 (FYE 110-115)	105-110	0-5	0-5	59,000	66,000	85-90	170-175
<b>Natalie Benton</b> (Leaver 31 December 2024)	85-90 (FYE 110-115)	105-110	0-5	0-5	38,000	43,000	125-130	145-150
<b>Paul Fullwood</b>	110-115	105-110	0-5	0-5	45,000	64,000	160-165	165-170
<b>Tim Archer</b> (Started 3 June 2024)	90-95 (FYE 110-115)	—	0-5	—	32,000	—	120-125	—
<b>Pete Easterbrook</b> (Temporary promotion from 1 February 2025)	15-20 (FYE 95-100)	—	—	—	8,000	—	20-25	—

	Salary (£'000)		Performance payment (£'000)		Pension benefits (to nearest £'000)		Total (£'000)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
	Philip Urquhart (Started 20 January 2025)	20-25 (FYE 115-120)	—	—	—	19,000	—	40-45
Fiona Wilson (Temporary promotion from 1 July 2024)	70-75 (FYE 95-100)	—	0-5	—	80,000	—	150-155	—

The value of pension benefits accrued over the year is calculated by multiplying the real increase in the annual pension by 20, adding any real increase in the lump sum, and then subtracting the individual's pension contributions. Real increases reflect genuine growth in benefits and exclude any changes resulting from inflation or the transfer of pension rights.

## Salary

Salary comprises gross pay, overtime, legacy entitlements to London weighting or London allowances, recruitment and retention premiums, private office allowances and any other allowances subject to UK taxation. The amounts reported are based on accrued liabilities and reflect payments recognised in these financial statements.

## Benefits in kind

Benefits in kind represent any taxable benefits provided by the organisation, as defined by HMRC. The SIA meets the associated tax liabilities. Executive directors received no such benefits during the year. Non-executive directors were reimbursed for travel and accommodation costs incurred in the course of their duties; where this included home-to-office travel, it was treated as a taxable benefit. For the year ending 31 March 2025, these amounted to £11,903 (2023-24: £8,689)

## Performance payments

Performance payments are determined by the level of performance achieved and are awarded following assessments of organisational outcomes at both mid-year and year-end. They relate to the performance in the year in which they become payable to the individual. The payments reported in 2024-25 relate to performance in 2023-24 and the comparative payments reported for 2023-24 relate to the performance in 2022-23.

# The non-executive Board

*(Audited information)*

**Table 13: The remuneration of non-executive Board members in the period ending 31 March 2025**

	Salary (£'000)		Benefits in kind (to nearest £100)	
	2024-25	2023-24	2024-25	2023-24
	£'000	£'000	£	£
<b>Heather Baily (Chair)</b>	50-55	50-55	4,200	3,900
<b>Trevor Reaney*</b> (To 6 November 2024)	5-10 (FYE 5-10)	5-10	1,600	4,200
<b>Alec Wood</b> (To 6 October 2023)	—	0-5 (FYE 5-10)	—	900
<b>Zoe Billingham</b> (To 5 December 2024)	5-10 (FYE 5-10)	5-10	700	500
<b>Caroline Corby</b>	5-10	5-10	900	—
<b>Simon James</b>	5-10	5-10	300	—

	2024-25	2023-24	Salary (£'000)	Benefits in kind (to nearest £100)
			2024-25	2023-24
<b>Duncan Worsell</b> (From 15 March 2024)	5-10	0-5 (FYE 5-10)	3,600	100
<b>Paul Glibbery</b> (From 8 April 2024)	5-10 (FYE 5-10)	—	500	—
<b>Hannah Wadey</b> (From 24 March 2025)	0-5 (FYE 5-10)	—	—	—
<b>Steve Grainger</b> (From 24 March 2025)	0-5 (FYE 5-10)	—	—	—

\* Trevor Reaney resigned 6 November 2024.

# Pension benefits

*(Audited information)*

**Table 14: Pension benefits SIA executive Board members**

	Accrued pension at 31 March 2025 and related lump sum	Real increase in pension and related lump sum	CETV at 31 March 2025	CETV at 31 March 2024	Real increase in CETV	Employer contribution to Partnership Pension Account
			£'000	£'000	£'000	£'000
<b>Michelle Russell</b>	70-75	5-7.5	1,386	1,259	69	—
<b>Dianne Tranmer</b> (Leaver 30 June 2024)	45-50	2.5-5	934	865	61	—
<b>Natalie Benton</b> (Leaver 31 December 2024)	20-25	0-2.5	288	241	21	—
<b>Paul Fullwood</b>	5-10	2.5-5	117	70	32	—
<b>Tim Archer</b> (Started 3 June 2024)	0-5	0-2.5	27	—	21	—
<b>Pete Easterbrook</b> (Temporary promotion from 1 February 2025)	15-20	0-2.5	264	259	5	—
<b>Philip Urquhart</b> (Started 20 January 2025)	60-65 plus a lump sum of 150-155	0-2.5 plus a lump sum of 0-2.5	1,435	1,411	16	—

	Accrued pension at 31 March 2025 and related lump sum	Real increase in pension and related lump sum	CETV at 31 March 2025	CETV at 31 March 2024	Real increase in CETV	Employer contribution to Partnership Pension Account
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Fiona Wilson</b> (Temporary promotion from 1 July 2024)	35-40 plus a lump sum of 95-100	2.5-5 plus a lump sum of 5-7.5	855	755	72	—

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Non-executive directors do not receive pension benefits from the SIA. Pension benefits for eligible staff are provided through the Civil Service pension arrangements. Most staff are members of the Alpha scheme, introduced on 1 April 2015, which is a career average pension scheme with a normal pension age linked to State Pension Age (or 65 if higher).

Some staff retain benefits under the earlier Principal Civil Service Pension Scheme (PCSPS), which includes both final salary and career average sections, depending on service dates. All pensions are unfunded and paid from public funds, with benefits uprated annually in line with Pensions Increase legislation.

A defined contribution alternative, the Partnership Pension Account, is also available, with employer contributions ranging from 8% to 14.75%, depending on age.

Further information on Civil Service pension arrangements is available at:  
[civilservicepensionscheme.org.uk](http://civilservicepensionscheme.org.uk).

## **Cash equivalent transfer values (CETVs)**

CETVs represent the actuarially assessed value of a member's accrued pension benefits at a specific point in time, including any contingent benefits such as a spouse's pension. They are used when transferring pension benefits between schemes.

The figures reflect the total value of benefits earned through scheme membership, including any amounts transferred in from other schemes or additional benefits purchased by the member.

CETVs are calculated in accordance with pension transfer regulations and do not account for potential Lifetime Allowance Tax charges.

## **Real increase in CETV**

This represents the increase in the CETV funded by the employer. It excludes increases due to inflation, employee contributions, and the value of any pension benefits transferred from another scheme. The calculation is based on consistent market valuation factors at the start and end of the reporting period.

# Staff Report

**Table 15: Staff costs comprise (audited information)**

	2024-25			2023-24		
	Permanent staff		Total	Permanent staff		Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	14,763	838	15,601	14,129	620	14,749
Social security costs	1,584	6	1,590	1,505	6	1,511
Other pension costs	3,842	—	3,842	3,325	—	3,325
Redundancy costs	—	—	—	—	—	—
Total costs	20,189	844	21,033	18,959	626	19,585

## Contingent labour costs

The SIA engages contingent labour in accordance with a robust control process set by the Home Office. There has been an increase in contingent labour spend due to the need for specialist IT roles and essential temporary filling of critical vacancies pending permanent recruitment. Expenditure on contingent labour (which makes up part of the 'Other Staff' costs in the table above) in 2024-25 was £730k (2023-24: £495k).

## Consultancy costs

Expenditure on consultancy in 2024-25 was £121,000 (2023-24: £322,908). External consultants were commissioned in year to provide expertise on various projects.

## Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require certain public sector employers to publish information on facility time used by trade union representatives. This document sets out the relevant trade union facility time data for the SIA covering the period 1 April 2024 to 31 March 2025.

The information below is based on several assumptions for Public and Commercial Services (PCS) Union facility time. Trade union representatives for the period undertake facility time for no more than 50% of their contracted hours. Ten employees, who were relevant trade union officials during 2024-25, spent 593 hours of facility time at a total cost of £12,964 representing 0.06% of the total pay bill.

The increase in number of relevant trade union officials for 2024-25 (10) when compared to 2023-24 (3) is as a result of increased PCS representation due to increasing PCS memberships within the organisation – it is worth noting that the figure is based on relevant trade union officials throughout the year as opposed to a moment in time during the year.

## Table 16: Trade union facility time and costs

Number of employees who were relevant union officials during 2024-25	Full-time equivalent employee number (2024-25)	Number of employees who were relevant union officials during 2023-24	Full-time equivalent employee number (2023-24)
10	10	3	5
Percentage of time spent on facility time		Number of employees 2024-25	Number of employees 2023-24
0%	—	—	—
1-50%	10	3	3
51-99%	—	—	—
100%	—	—	—
		2024-25	2023-24
Total cost of facility time	£12,964	£5,795	
Total pay bill	£20,947,764	£19,557,056	
% of pay bill spent on facility time	0.0619%	0.0296%	
% of total paid facility time spent on paid trade union activities	0%	0%	

## Pension

### Principal Civil Service Pension Scheme

The PCSPS is now closed to new members.

The PCSPS is an unfunded multi-employer defined benefit scheme, but we are unable to identify our share of the underlying assets and liabilities.

The scheme actuary valued the scheme as at 31 March 2020.

Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation at [civilservicepensionscheme.org.uk](http://civilservicepensionscheme.org.uk).

### Civil Servants and Other Pension Scheme

The Civil Servants and Others Pension Scheme, known as Alpha, is an unfunded defined benefit scheme. We are unable to identify our share of the underlying assets and liabilities. The Alpha scheme started on 1 April 2015.

Further information on the PCSPS is included within the remuneration report.

### The Public Service Pensions Remedy

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members

differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to Alpha.

In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members. As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members.

The public service pensions remedy (the 2015 Remedy (McCloud)) is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of Alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

For members who are in scope of the public service pension remedy, the calculation of benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration as of 31 March 2023 and 31 March 2024 reflects that membership has been rolled back into the PCSPS between 1 April 2015 and 31 March 2022. In due course, members will have an option to decide whether this remedy period should count towards PCSPS or Alpha benefits.

## Persons employed

*(Audited information)*

The actual number of whole-time equivalent persons employed (excluding the non-executive Board) during the period was as follows:

### Table 17: Whole-time equivalent persons employed at 31 March 2025

*(Audited information)*

	2024-25			2023-24 (Restated)*		
	Permanent	Other	Total	Permanent	Other	Total
Directly employed	369	—	369	344	—	344

\* 2023-24 figures did not exclude non-executive Board.

### Table 18: Staff composition (head count) at 31 March 2025

	2024-25			2023-24		
	Female	Male	Total	Female	Male	Total
Other employees	197	165	362	187	152	339
Senior Civil Servant or equivalent	2	4	6	3	2	5
Board	4	4	8	4	3	7
Total	203	173	376	194	157	351

## Off-payroll engagements

**Table 19: All off-payroll engagements as of 31 March 2025, for more than £245 per day**

No. of existing engagements as of 31 March 2025	1
Of which	
No. that have existed for less than one year at time of reporting.	
No. that have existed for between one and two years at time of reporting.	1
No. that have existed for between two and three years at time of reporting.	
No. that have existed for between three and four years at time of reporting.	
No. that have existed for four or more years at time of reporting.	

**Table 20: All off-payroll engagements between 1 April 2024 and 31 March 2025, for more than £245 per day**

No. of temporary off-payroll workers engaged between 1 April 2024 and 31 March 2025	5
Of which	
No. not subject to off-payroll legislation	
No. subject to off-payroll legislation and determined as in-scope of IR35	5
No. subject to off-payroll legislation and determined as out of scope of IR35	

No. of engagements reassessed for compliance or assurance purposes during the year.

Of which, number of engagements that saw a change to IR35 status following review.

**Table 21: For any off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025**

No. of off-payroll engagements of Board members, and/or, senior officials with significant financial responsibility, during the financial year.	—
Total no. of individuals on payroll and off-payroll that have been deemed “Board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure must include both on payroll and off-payroll engagements.	17

**Table 22: Reporting of Civil Service and other compensation schemes – exit packages**  
*(Audited information)*

Exit package cost band	2024-25			2023-24		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£0-£25,000	—	1	1	—	—	—
£25,001-£50,000	—	—	—	—	—	—
£50,001-£100,000	—	—	—	—	—	—
£100,000-£150,000	—	—	—	—	—	—
£150,000+	—	—	—	—	—	—
<b>Total number of exit packages</b>	—	<b>1</b>	<b>1</b>	—	—	—
<b>Total resource cost (£)</b>	—	<b>15,000</b>	<b>15,000</b>	—	—	—

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are

met by the department and not by the Civil Service Pension Scheme. Ill-health retirement costs are met by the pension scheme and are not included in this table.

## **Payment to auditors**

The audit fee for 2024-25 payable to the National Audit Office has been set at £57k (2023-24: £78k). No other payments were made to the National Audit Office for non-audit services during the year.

## **Staff sickness and absence**

During the financial year we continued to have a low sickness rate. The average absence rate was 7.8 days per employee over a rolling 12-month period (2023-24: 6 days).

As an organisation, we continue to monitor this closely to ensure staff are not taking annual leave as opposed to being sick or working when they should not be.

## **Staff retention**

During 2024-25 the staff retention percentage was 87.6% (2023-24: 88%), which is within our target of 85%. The data excludes staff on fixed term contracts and other short-term roles.

# Parliamentary accountability disclosures

*(Audited information)*

## Regularity of expenditure

There are no regularity issues to report.

## Losses and special payments

There were no special payments or severance payments made in the year 2024-25 (2023-24: Nil).

## Gifts

No gifts were made in the year 2024-25 (2023-24: Nil).

## Table 23: Fees and charges 2024-25

Operating segment	Income	Full cost	Surplus/ (deficit)	Fee recovery actual	Fee recovery target
	£'000	£'000	£'000	%	%
Licensing	34,781	(34,874)	(93)	100	100
ACS	2,310	(3,280)	(970)	70	100
<b>Total</b>	<b>37,091</b>	<b>(38,154)</b>	<b>(1,063)</b>		

## Table 24: Fees and charges 2023-24

Operating segment	Income	Full cost	Surplus/ (deficit)	Fee recovery actual	Fee recovery target
	£'000	£'000	£'000	%	%
Licensing	31,149	(30,926)	223	100	100
ACS	2,179	(2,650)	(471)	82	100
<b>Total</b>	<b>33,328</b>	<b>(33,576)</b>	<b>(248)</b>		

\* *Full cost figures purely relate to costs associated with Licensing and ACS income.*

### Notes:

*Licensing income is derived from the application fee for an individual SIA licence. Individuals working in specific sectors of the private security industry are required by law to hold an SIA licence. The SIA individual licence lasts for three years and therefore the SIA operates with a three-year cycle.*

## Remote contingent liabilities

The SIA discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, in accordance with the requirements of Managing Public Money. The SIA had no remote contingent liabilities as at 31 March 2025 (2023-24: Nil).



**Michelle Russell**

Chief Executive and Accounting Officer

Security Industry Authority

9 July 2025

# **The Certificate and report of the Comptroller and Auditor General to the House of Commons**

## **Opinion on financial statements**

I certify that I have audited the financial statements of the Security Industry Authority for the year ended 31 March 2025 under the Private Security Industry Act 2001.

The financial statements comprise the Security Industry Authority's:

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Security Industry Authority's affairs as at 31 March 2025 and its net income/(expense) after tax and interest for the year then ended; and
- have been properly prepared in accordance with the Private Security Industry Act 2001 and Secretary of State directions issued thereunder.

## Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate and report.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Security Industry Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the Security Industry Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Security Industry Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Chief Executive and Accounting Officer with respect to going

concern are described in the relevant sections of this certificate and report.

The going concern basis of accounting for the Security Industry Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

## Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Chief Executive and Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate and report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

## **Opinion on other matters**

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Private Security Industry Act 2001.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Private Security Industry Act 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements

## **Matters on which I report by exception**

In the light of the knowledge and understanding of the Security Industry Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Security Industry Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance

## **Responsibilities of the Chief Executive and Accounting Officer for the financial statements**

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive and Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Security Industry Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Private Security Industry Act 2001;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Private Security Industry Act 2001; and

– assessing the Security Industry Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Chief Executive and Accounting Officer anticipates that the services provided by the Security Industry Authority will not continue to be provided in the future

## **Auditor's responsibilities for the audit of the financial statements**

My responsibility is to audit, certify and report on the financial statements in accordance with the Private Security Industry Act 2001.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate and report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud**

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

### **Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud**

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Security Industry Authority's accounting policies;
- inquired of management, the Government Internal Audit Agency and those charged with governance, including obtaining and reviewing supporting documentation relating to the Security Industry Authority's policies and procedures on:
  - identifying, evaluating and complying with laws and regulations;

- detecting and responding to the risks of fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Security Industry Authority's controls relating to the Security Industry Authority's compliance with the Private Security Industry Act 2001 and Managing Public Money.
- inquired of management, the Government Internal Audit Agency and those charged with governance whether:
  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Security Industry Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Security Industry Authority's framework of authority and other legal and regulatory frameworks in which the Security Industry Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Security Industry Authority. The key laws and regulations I considered in this context included the Private Security Industry Act 2001, Managing Public Money, and the relevant laws and tax regulations.

## **Audit response to identified risk**

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of

a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and

– assessment of the Security Industry Authority's revenue recognition policy against accounting standards and substantive testing of income streams to address the risk of fraud in revenue recognition.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists in the form of IT Auditors and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [frc.org.uk/auditorsresponsibilities](https://frc.org.uk/auditorsresponsibilities). This description forms part of my certificate and report.

## **Other auditor's responsibilities**

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

## Report

I have no observations to make on these financial statements.

**Gareth Davies**

Comptroller and Auditor General  
National Audit Office

157-197 Buckingham Palace Road Victoria  
London SW1W 9SP

10 July 2025

# Financial statements

# Statement of comprehensive net expenditure for the year ended 31 March 2025

		2024-25	2023-24
	Note	£'000	£'000
<b>Income</b>			
Income from activities	4	37,091	33,328
<b>Other income</b>			
Other income from activities	4	16	72
Court costs recovered	4	1	3
<b>Total operating income</b>		<b>37,108</b>	<b>33,403</b>
<b>Expenditure</b>			
Staff costs	2	(21,033)	(19,585)
Depreciation	5	(729)	(755)
Amortisation	6	(635)	(455)
Other expenditure	3	(16,026)	(13,356)
<b>Total operating expenditure</b>		<b>(38,423)</b>	<b>(34,151)</b>
Finance Expense	13	(36)	(77)
Payment to Home Office from Reserves		—	(4,689)
<b>Net income/(expense) before tax and interest</b>		<b>(1,351)</b>	<b>(5,514)</b>
Interest receivable	4	490	665
Corporation tax*		(170)	(122)

		<b>2024-25</b>	<b>2023-24</b>
	Note	£'000	£'000
<b>Net income/(expense) after tax and interest</b>		<b>(1,031)</b>	(4,971)
<b>Other comprehensive net expenditure</b>			
Net gain on revaluation of intangible assets		—	19
<b>Net income after tax and interest</b>		<b>(1,031)</b>	(4,952)

*\* £23k in 2023-24 related to 2022-23 as basis of accounting has changed from cash basis to accruals basis.*

*£48k in 2024-25 related to 2023-24 due to an under provision.*

The notes on pages 174 to 202 form part of these accounts.

There are no other comprehensive income items. All income and expenditure relates to continuing operations.

# Statement of financial position as at 31 March 2025

	Note	2024-25	2023-24
		£'000	£'000
<b>Non-current assets</b>			
Property, plant and equipment	5	626	490
Right-of-use assets	5	3,613	4,111
Intangible assets	6	6,393	3,778
<b>Total non-current assets</b>		<b>10,632</b>	<b>8,379</b>
<b>Current assets</b>			
Trade and other receivables	8	311	925
Cash and cash equivalents	9	25,236	24,798
<b>Total current assets</b>		<b>25,547</b>	<b>25,723</b>
<b>Total assets</b>		<b>36,179</b>	<b>34,102</b>
<b>Current liabilities</b>			
Trade and other payables	10	(6,927)	(4,272)
Lease Liability	13	(610)	(454)
<b>Total current liabilities</b>		<b>(7,537)</b>	<b>(4,726)</b>
<b>Non-Current liabilities</b>			
Provisions	11	(1,932)	(913)
Lease Liability	13	(3,010)	(3,732)
<b>Total Non-Current liabilities</b>		<b>(4,942)</b>	<b>(4,645)</b>
<b>Total liabilities</b>		<b>(12,479)</b>	<b>(9,371)</b>
<b>Total assets less current liabilities</b>		<b>28,642</b>	<b>29,376</b>

	Note	2024-25	2023-24
		£'000	£'000
<b>Total assets less total liabilities</b>		<b>23,700</b>	<b>24,731</b>
<b>Taxpayers' equity</b>			
Revaluation Reserve		262	262
General reserve		23,438	24,469
<b>Total equity</b>		<b>23,700</b>	<b>24,731</b>

The notes on pages 174 to 202 form part of these accounts.

These financial statements were approved by the Board on the below date and were signed on its behalf by:



**Michelle Russell**  
 Chief Executive and Accounting Officer  
 Security Industry Authority  
 9 July 2025

# Statement of cash flows for the year ended 31 March 2025

	Note	2024-25	2023-24
		£'000	£'000
<b>Cash flows from operating activities</b>			
<b>Net operating deficit for the year</b>	SoCNE	(1,351)	(5,514)
<b>Adjustments for non-cash transactions</b>			
Amortisation	6	635	455
Depreciation	5	729	755
Increase in provisions	11	1,019	10
Interest on lease liabilities	13	36	77
<b>Changes in working capital</b>			
Decrease in trade and other receivables	8	614	198
Increase in trade and other payables	10	2,654	438
Corporation tax paid		(170)	(122)
<b>Net cash (outflow)/inflow from operating activities</b>		<b>4,166</b>	<b>(3,703)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(366)	(394)
Purchase of intangible assets	6	(3,250)	(1,132)
Interest received	4	490	665
<b>Net cash outflow from investing activities</b>		<b>(3,126)</b>	<b>(861)</b>
<b>Cash flows from financing activities</b>			
Repayments of principal on lease	13	(602)	(667)

	Note	2024-25	2023-24
		£'000	£'000
<b>Net cash outflow from financing activities</b>		(602)	(667)
<b>Net increase/(decrease) in cash and cash equivalents in the period</b>		438	(5,231)
Cash and cash equivalents at the beginning of the year	9	24,798	30,029
Cash and cash equivalents at the end of the year	9	25,236	24,798
Movement		438	(5,231)

The notes on pages 174 to 202 form part of these accounts.

## Statement of changes in taxpayers' equity for the year ended 31 March 2025

	Revaluation Reserve	General Reserve	Taxpayers' equity
	£'000	£'000	£'000
<b>Balance at 31 March 2023</b>	243	29,440	29,683
<b>Changes in taxpayers' equity 2023-24</b>			
Comprehensive expenditure for the year	—	(4,971)	(4,971)
Net gain on revaluation of STeP	19	—	19

	Revaluation Reserve	General Reserve	Taxpayers' equity
	£'000	£'000	£'000
<b>Balance at 31 March 2024</b>	<b>262</b>	<b>24,469</b>	<b>24,731</b>
<b>Changes in taxpayers' equity 2024-25</b>			
Comprehensive expenditure for the year	—	(1,031)	(1,031)
Net gain on revaluation of STeP	—	—	—
<b>Balance at 31 March 2025</b>	<b>262</b>	<b>23,438</b>	<b>23,700</b>

Our licensing system, STeP, is an intangible asset and is reviewed annually for impairment and is revalued on the basis of depreciated replacement cost using published indices. Any revaluation surplus is credited to the Revaluation Reserve.

The General Reserve consists of balances accumulated by the usual operation of the business.

The notes on pages 174 to 202 form part of these accounts.

# Notes to the financial statements

## 1. Accounting policies, key accounting estimates and judgements

### 1.1. Statement of Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the Government Financial Reporting Manual (FReM) issued by HM Treasury.

The accounting policies adopted by the SIA are described below. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the SIA for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items that are considered material to the financial statements

### 1.2. Basis of preparation

These financial statements have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, and intangible assets. The accounts have been prepared

under the direction issued by the Secretary of State under the Private Security Industry Act 2001.

### **1.3. Significant estimates and judgements**

In prior years, due to the basis of the contract with British Telecommunications PLC, judgement was taken on the valuation of the STeP asset, based on milestone payments, information from BT and the programme team. This is reviewed annually for impairment and is revalued on the basis of depreciated replacement cost using published indices (as set out in Note 1.13).

### **1.4. Leases**

The Government Financial Reporting Manual (FReM) mandates the practical expedient that an entity should not reassess whether a contract is, or contains, a lease at the date of initial application. The SIA uses the practical expedient detailed in IFRS 16. The lease for our HQ office space, at 10 South Colonnade, falls under the scope of IFRS 16.

The SIA has adopted IFRS 16, as interpreted and adapted in the FReM, with effect from 1 April 2022.

In accordance with the FReM, intra-UK government agreements, including the Memorandum of Terms of Occupancy (MOTO) with the Government Property Agency (GPA), are treated as contracts and therefore

within the scope of IFRS 16 where they convey the right to use an asset.

Where a lease has been identified, the SIA recognises a right-of-use asset and a corresponding lease liability, except for short term leases and leases for which the underlying asset is of low value.

For such leases, the lease payments are recognised as an expense on a straight line basis over the lease term.

The SIA has not set a specific threshold for identifying assets that are of low value, and applies the guidance in IFRS 16 on a case by case basis. Where the interest rate implicit in a lease cannot be readily determined, the SIA calculates the lease liability using the HM Treasury discount rates promulgated in PES papers as the incremental borrowing rate.

For leases that were remeasured in the 2023 calendar year, this rate is 3.51%.

There are no leases commencing or remeasured in the financial year 2024-25.

## **Right-of-Use Assets & Liabilities**

At the commencement date of any new lease, we measure the lease liability at the present value of the lease payments.

IRFS 16 requires that we also recognise interest payable on the lease payments, based on a discount rate applied to the Lease Liability outstanding balance.

Under IFRS 16, cash repayments of the lease liability are split into a principal portion (which reduces the amount of the balance sheet liability) and a notional interest payable portion (which is chargeable to the Statement of Comprehensive Income).

IFRS 16 requires lessees to separate out rent charges from service charges. Accordingly, the rent element is capitalised whilst the service charges are expensed separately and treated as running costs.

## **1.5. Going Concern**

The directors have a reasonable expectation that the SIA has adequate resources to continue in operational existence for the foreseeable future.

The basis of this is the application of future income from activities and our continued sponsorship by the Home Office.

This is supported by our establishment under the Private Security Industry Act 2001 to contribute to public protection by setting and improving standards in the regulated private security industry.

Therefore, the SIA's financial statements have been prepared on a going concern basis.

## **1.6. International Financial Reporting Standards (IFRS) not yet effective**

IFRS 17 Insurance Contracts is currently applicable for reporting periods beginning from 1 January 2023. The standard is being applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2025 (with limited options for early adoptions). We expect the introduction of IFRS 17 to be immaterial.

IFRS 18 Presentation and Disclosure in Financial Statement (effective date, periods starting after 1 January 2027).

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective date, periods starting after 1 January 2027).

## **Accounting policies for expenditure**

### **1.7. Pensions**

- a) Principal Civil Service Pension Scheme (PCSPS): The Security Industry Authority recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

**b) Civil Servants and Others Pension Scheme**

(CSOPS): CSOPS known as Alpha is a new unfunded, defined benefit scheme which started on 1 April 2015. The Security Industry Authority recognises the expected costs on a systematic and rational basis over the period during which it benefits from employees' services by payments to the CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the CSOPS.

## **1.8. Value Added Tax on purchases**

The SIA is not registered for VAT for its statutory functions. It is registered for VAT in respect of certain ancillary activities, but the amounts are not material. Where VAT is not recoverable, it is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets.

## **1.9. Corporation Tax**

The SIA is liable for corporation tax at 25% (25% in 2023-24) on interest received on investment income, this relates to the bank interest.

## Accounting policies for income

Income is recognised in accordance with IFRS 15 (Revenue from Contracts with Customers).

### 1.10. Licence fee income

Income is recognised at the point when payment is made for an application. At this point, the fee paid becomes non-refundable as the SIA is committed to paying third party providers for processing the application.

An individual who has more than one application accepted is entitled to a discount of 50% on subsequent accepted applications (but not renewals).

This discount is included in licensing income.

### 1.11. Approved Contractor Scheme (ACS) income

The ACS is a voluntary scheme for providers of security services. Companies who satisfactorily meet the agreed standards may be registered as approved and may advertise themselves as such.

Application fee income is recognised at the point when the payment is made for an application and is non-refundable.

Annual registration income is charged to the Statement of Comprehensive Net Income on a straight line basis over the period covered by the registration.

## **Accounting policies for assets and liabilities**

### **1.12. Property, plant and equipment**

#### **Property**

As property assets are right-of-use assets, the cost model in IFRS 16 is adopted as an appropriate proxy for current value.

#### **Plant and equipment**

Items are capitalised as non-current assets where the purchase cost exceeds £1,000, or £5,000 for grouped assets, and the benefit they yield has a life of more than one year. Non-current assets are held at cost less accumulated depreciation.

There was no revaluation of Property, Plant and Equipment assets for 2024-25 because it is deemed immaterial and the depreciated historic cost basis is considered as a proxy for fair value for assets that have short useful lives.

## 1.13. Intangible assets

Intangible assets are non-monetary assets without physical substance which arise from contractual or other legal rights. In line with the recognition criteria in IAS 38, intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the asset will flow to the SIA and the cost of the asset can be measured reliably.

Assets Under Construction (AUC) are 'non-live' assets. During the construction phase they are initially recognised at cost. This comprises the purchase price and any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. When completed, AUC are reclassified, and the value is recognised in the appropriate asset category and depreciated or amortised from the date they are brought into service.

Items are capitalised as non-current assets where the purchase cost exceeds £1,000, or £5,000 for grouped assets, and the benefit they yield has a life of more than one year.

STeP is reviewed annually for impairment and is revalued on the basis of depreciated replacement cost using published indices.

Any revaluation surplus is credited to the Revaluation Reserve.

## 1.14. Depreciation and amortisation

Depreciation and amortisation is provided on all non-current assets on a straight-line basis to write off the cost or valuation evenly over the asset's expected useful life as follows:

<b>Furniture</b>	Five years
<b>IT hardware</b>	Three years
<b>Approved Contractor Scheme (ACS)</b>	ACS (fully amortised at February 2010)
<b>STeP system</b>	Over term of the various contracts
<b>Right-of-use assets</b>	Lifetime of lease

## 1.15. Contract liabilities

The SIA will defer ACS income where:

- annual registration fees have been received prior to the awarding of approved status
- the annual registration fee covers a period extending over the financial year end

## 1.16. Provision for bad debt

The SIA is awarded costs by the courts when appeals are successfully defended. It is not always possible for the SIA to collect all these debts and those that are outstanding and a provision is made for debt which has been outstanding for more than 12 months.

## 1.17. Provisions

In accordance with IAS 37, provisions are disclosed in the Statement of Financial Position for legal and constructive obligations in existence at the end of the reporting period if the payment amount to settle the obligation is probable and can be reliably estimated.

The amount recognised in provisions takes into account the resources required to cover future payment obligations. Measurement is based on the settlement amount with the highest probability, rather than applying a discount rate.

## 2. Staff costs

2024-25

	Permanently employed staff £'000	Others £'000	Total £'000
Wages and salaries	14,763	838	15,601
Social security costs	1,584	6	1,590
Other pension costs	3,842	—	3,842
Redundancy costs	—	—	—
<b>Total staff Costs</b>	<b>20,189</b>	<b>844</b>	<b>21,033</b>

2023-24

	Permanently employed staff £'000	Others £'000	Total £'000
Wages and salaries	14,129	620	14,749
Social security costs	1,505	6	1,511
Other pension costs	3,325	—	3,325
Redundancy costs	—	—	—
<b>Total staff Costs</b>	<b>18,959</b>	<b>626</b>	<b>19,585</b>

Further staff disclosures can be found in the Remuneration and Staff Report section of the Annual Report (on page 127).

### 3. Other expenditure

	Note	2024-25	2023-24
		£'000	£'000
<b>Running costs</b>			
Licensing costs		10,292	7,647
Accommodation costs		553	789

	<b>Note</b>	<b>2024-25</b>	<b>2023-24</b>
		£'000	£'000
Travel and subsistence		619	673
Information technology		2,301	2,208
Office supplies and services		525	535
Legal costs		489	259
Training		326	175
Advertising and publicity		82	247
Recruitment		197	307
Audit fee – external*		57	78
Catering		—	1
Financial costs		4	3
Consultancy		121	323
Home Office recharge		491	253
<b>Non-cash Items</b>			
Decrease in provision for bad debts	8	(31)	—
Decrease in provision for dilapidations	11	—	(145)
Bad and doubtful debts		—	3
<b>Total other expenditure</b>		<b>16,026</b>	<b>13,356</b>

\* External audit fees for 2024-25 do not include any non-audit work undertaken by the NAO (2023-24 Nil).

The following Research & Development aggregate costs have been recognised as an expense and are included in the above

	<b>2024-25</b>	<b>2023-24</b>
	£'000	£'000
Office supplies and services	17	125

## 4. Income

	<b>2024-25</b>	<b>2023-24</b>
	£'000	£'000
<b>Operating income</b>		
Licensing	38,548	34,217
Licence Rebate Scheme	(3,767)	(3,068)
Approved Contractors Scheme (ACS)	2,310	2,179
<b>Income from activities</b>	<b>37,091</b>	<b>33,328</b>
<b>Other income</b>		
Other income from activities	16	72
Court costs recovered	1	3
<b>Total operating income</b>	<b>37,108</b>	<b>33,403</b>
<b>Interest received on bank deposits</b>	<b>490</b>	<b>665</b>

## 5. Property, plant and equipment

	Furniture and fittings	Information technology	Right-of- use assets, buildings	Total
	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>				
At 1 April 2024	175	1,424	5,400	6,999
Revaluations	—	—	—	—
Additions	34	332	—	366
Disposals	—	(516)	—	(516)
<b>At 31 March 2025</b>	<b>209</b>	<b>1,240</b>	<b>5,400</b>	<b>6,849</b>
<b>Depreciation</b>				
At 1 April 2024	6	1,102	1,289	2,397
Charged in year	44	187	498	729
Disposals	—	(516)	—	(516)
<b>At 31 March 2025</b>	<b>50</b>	<b>773</b>	<b>1,787</b>	<b>2,610</b>
<b>Net book value at 31 March 2025</b>	<b>159</b>	<b>467</b>	<b>3,613</b>	<b>4,239</b>
Net book value at 31 March 2024	169	322	4,111	4,602

	Furniture and fittings	Information technology	Right-of- use assets, buildings	Total
	£'000	£'000	£'000	£'000
<b>Asset financing:</b>				
Owned	159	467	—	626
IFRS16 Lease	—	—	3,613	3,613
<b>Net Book Value at 31 March 2025</b>	<b>159</b>	<b>467</b>	<b>3,613</b>	<b>4,239</b>
<b>Cost or valuation</b>				
At 1 April 2023	—	1,205	6,740	7,944
Additions	175	219	—	394
Disposals	—	—	(1,340)	(1,340)
<b>At 31 March 2024</b>	<b>175</b>	<b>1,424</b>	<b>5,400</b>	<b>6,999</b>
<b>Depreciation</b>				
At 1 April 2023	—	980	663	1,643
Charged in year	6	122	626	754
Disposals	—	—	—	—
<b>At 31 March 2024</b>	<b>6</b>	<b>1,102</b>	<b>1,289</b>	<b>2,397</b>

	Furniture and fittings	Information technology	Right-of- use assets, buildings	Total
	£'000	£'000	£'000	£'000
<b>Net book value at 31 March 2024</b>	169	322	4,111	4,602
Net book value at 31 March 2023	—	225	6,077	6,302
<b>Asset financing:</b>				
Owned	169	322	—	491
IFRS16 Lease	—	—	4,111	4,111
<b>Net Book Value at 31 March 2024</b>	<b>169</b>	<b>322</b>	<b>4,111</b>	<b>4,602</b>

## 6. Intangible assets

	Software licences	STeP	Assets under construction	ACS	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>					
At 1 April 2023	850	12,893	1,021	1,075	15,839
Additions	—	3,250	—	—	3,250
Transfer	—	310	(310)	—	—

	<b>Software licences</b>	<b>Assets under construction</b>			<b>ACS</b>	<b>Total</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>		
Disposals	—	—	—	—	—	—
Revaluation	—	—	—	—	—	—
<b>At 31 March 2025</b>	<b>850</b>	<b>16,453</b>		<b>711</b>	<b>1,075</b>	<b>19,089</b>
<b>Amortisation</b>						
At 1 April 2024	850	10,136		—	1,075	12,061
Charged in year	—	635		—	—	635
Revaluation	—	—	—	—	—	—
Disposals	—	—	—	—	—	—
<b>At 31 March 2025</b>	<b>850</b>	<b>10,771</b>		<b>—</b>	<b>1,075</b>	<b>12,696</b>
<b>Net book value at 31 March 2025</b>	<b>—</b>	<b>5,682</b>		<b>711</b>	<b>—</b>	<b>6,393</b>
<b>Asset financing:</b>						
Owned	—	5,682		711	—	6,393
Finance leased	—	—	—	—	—	—
On balance sheet PFI contracts	—	—	—	—	—	—
<b>Net book value at 31 March 2025</b>	<b>—</b>	<b>5,682</b>		<b>711</b>	<b>—</b>	<b>6,393</b>

	<b>Software licences</b>	<b>Assets under construction</b>				<b>ACS</b>	<b>Total</b>
		<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>		
<b>Cost or valuation</b>							
At 1 April 2023	850	10,829		1,863		1,075	14,617
Impairment	—	—		—		—	—
Additions	—	182		950		—	1,132
Transfer	—	1,792		(1,792)		—	—
Disposals	—	—		—		—	—
Revaluation	—	90		—		—	90
<b>At 31 March 2024</b>	<b>850</b>	<b>12,893</b>		<b>1,021</b>		<b>1,075</b>	<b>15,839</b>
<b>Amortisation</b>							
At 1 April 2023	850	9,610		—		1,075	11,535
Charged in year	—	455		—		—	455
Revaluation	—	71		—		—	71
Disposals	—	—		—		—	—
<b>At 31 March 2024</b>	<b>850</b>	<b>10,136</b>		<b>—</b>		<b>1,075</b>	<b>12,061</b>
<b>Net book value at 31 March 2024</b>	<b>—</b>	<b>2,757</b>		<b>1,021</b>		<b>—</b>	<b>3,778</b>

	Software licences	Assets under construction				Total
		STeP	ACS	£'000	£'000	
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Asset financing:</b>						
Owned	—	2,757	1,021	—	—	3,778
Finance leased	—	—	—	—	—	—
On balance sheet PFI contracts	—	—	—	—	—	—
<b>Net book value at 31 March 2023</b>	<b>—</b>	<b>2,757</b>	<b>1,021</b>	<b>—</b>	<b>—</b>	<b>3,778</b>

## 7. Financial Instruments

Due to the largely non-trading nature of the activities of the SIA and the way in which it is financed, the organisation is not exposed to the degree of financial risk faced by a non-public sector body.

Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. The SIA has very limited powers to borrow or invest surplus funds, and consequently financial assets and liabilities are generated by day-to-day operational activities and are not deemed to change the risk facing the SIA in undertaking its activities.

Financial instruments only relate to contracts to buy non-financial items in line with the SIA's expected purchase requirements.

## **Liquidity risk**

The SIA's net revenue resource requirements are financed by licence fees and its capital expenditure is largely funded by budgets which are approved annually by Parliament.

The SIA is not therefore exposed to significant liquidity risk.

## **Interest rate risk**

The SIA is not exposed to significant interest rate risk.

## **Foreign currency risk**

The SIA is not exposed to any foreign exchange risk.

## **Credit risk**

The SIA is not exposed to significant credit risk, other than bad debt provision.

## 8. Trade receivables and other current assets

	2024-25	2023-24
	£'000	£'000
<b>Amounts falling due within one year:</b>		
Other receivables	5	54
Court debts	28	142
Prepayments and accrued income	306	892
	<b>339</b>	<b>1,088</b>
Less provision for bad debts	(28)	(163)
	<b>311</b>	<b>925</b>

## 9. Cash and cash equivalents

	2024-25	2023-24
	£'000	£'000
Balance at 1 April	24,798	30,029
Net change in cash and cash equivalent balances	438	(5,231)
Balance at 31 March	<b>25,236</b>	<b>24,798</b>

The following balances at 31 March 2025 were held at:

Bank and cash in hand	25,236	24,798
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With HMT approval, cash reserves are being utilised to subsidise the SIA prescribed licensing fee. This reduces the amount payable from £204 to £184 until 31 March 2026.

## 10. Trade payables and other current liabilities

	2024-25	2023-24
	£'000	£'000
<b>Amounts falling due within one year</b>		
Other taxation & social security	404	367
Trade payables	570	104
Other payables	166	36
Accruals	4,762	2,600
Contract Liabilities	1,025	1,165
<b>Total</b>	<b>6,927</b>	<b>4,272</b>

## 11. Provisions for liabilities and charges

	Provision for dilapidations	Provision for court costs payable	Total
	£'000	£'000	£'000
Balance at 1 April 2024	758	155	913
Provided in the year	—	1,048	1,048
Provisions written back as not required	—	(29)	(29)
<b>Balance at 31 March 2025</b>	<b>758</b>	<b>1,174</b>	<b>1,932</b>
Balance at 1 April 2023	903	—	903
Provided in the year	—	155	155
Provisions written back as not required	(145)	—	(145)
<b>Balance at 31 March 2024</b>	<b>758</b>	<b>155</b>	<b>913</b>

## Dilapidation

The SIA makes provision to cover its obligations for the reinstatement of its leasehold buildings to their original state before its occupation.

Some judgement was required for the dilapidations provision which represents the sum required to reinstate the High Holborn premises to a state required under the lease following HQ relocation in June 2018. The provision was based on industry standard and the floor space occupied by the SIA. This estimate remains unchanged for the 2024-25 financial statements at £378,000. Considering the time that has lapsed since vacating the premises, activity is being undertaken to establish whether the provision needs to remain in its existing format going forward.

The Government Property Agency has advised that dilapidations will cost £379,500 to return our Canary Wharf premises to its original condition, a reduction of £145,000 (since April 2023). The decrease is due to the reduction of office floor space in this building. The dilapidations provision is in relation to repairs arising from damage to the property. The liability has been recognised over the life of the occupancy agreement.

## Provision for Court Costs Payable

This provision is made to cover future anticipated costs relating to legal decisions made in the courts which the SIA is likely to pay.

## 12. Capital Commitments

The SIA had no capital commitments at 31 March 2025.

The SIA had no capital commitments at 31 March 2024.

## 13. Commitments under leases

	2024-25	2023-24
	£'000	£'000
<b>IFRS 16 Lease liability at 1 April</b>	<b>4,186</b>	<b>6,116</b>
Disposals during the Year	—	(1,340)
Notional interest expense	36	77
Rent expenditure related to lease	(602)	(667)
<b>IFRS 16 Lease liability at 31 March</b>	<b>3,620</b>	<b>4,186</b>
Lease commitments due in under one year	610	454
Lease commitments due in over one year	3,010	3,732
<b>Total</b>	<b>3,620</b>	<b>4,186</b>

The lease liabilities are measured at the discounted present value of the contractual rent payments.

IFRS 16 requires that we recognise notional interest payable on the lease payments, based on a discount rate applied to the lease liability outstanding balance.

The lease liabilities represent the total value of rent payments for the lease, discounted to present value using the approved HM Treasury discount rate.

The current lease liability is based on the 2023 PES (Public Expenditure System) rate of 3.51%.

This is due to the relinquishing of office space in 2023.

Our buildings lease, for 10 South Colonnade, is a 14.25 year agreement from March 2018 to June 2032.

The lease liability is based on the whole period, with the lease transitioning to IFRS 16 in April 2022.

The lease agreement included obligations to pay variable service charges, rates and electricity costs.

These costs are also shown in the Expenditure section, under Accommodation Costs.

## 14. Contingent liabilities

The SIA had no contingent liabilities as at 31 March 2025.

The SIA had no contingent liabilities as at 31 March 2024.

## 15. Related-party transactions

The SIA has had transactions during the period with the following government bodies, and all transactions were conducted at arm's length:

- Access NI
- Disclosure and Barring Service
- National Crime Agency
- Disclosure Scotland
- College of Policing
- The Home Office (includes a recharge)

No Board member, key manager or other related parties has undertaken any material transactions with the SIA during the year. The Remuneration report provides information on key management compensation.

## 16. Events after the reporting period

There have been no events after the reporting date requiring an adjustment to the accounts.

The financial statements were authorised for issue on the same date that the Comptroller and Auditor General certified the Annual Report and Accounts.



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