

EAST AYRSHIRE COUNCIL

COUNCIL – 3TH DECEMBER 2009

LICENSING OF PRIVATE SECURITY CONTRACTORS

Report by Depute Chief Executive/Executive Director of Corporate Support

1 PURPOSE OF REPORT

- 1.1 To invite Council to make a resolution requiring that all private security contractors, whether as a principal or sub contractor, will require to be registered by the Security Industry Authority under their Approved Contractor Scheme before they can undertake security work on behalf of the Council in any premises or, on any property which is owned or operated by it.

2. BACKGROUND INFORMATION

- 2.1 The private security industry comprises several sectors, including those concerned with;

- Guarding people and property;
- Immobilising vehicles;
- Private investigators; and
- Security consultants.

- 2.2 In March 1999, the Government set out proposals for the statutory regulation of the private security industry in a White Paper “The Government’s Proposals for Regulation of the Private Security Industry in England and Wales.” The broad thrust of these proposals included:

- Regulation which would help to raise standards, and ensure greater consistency, building upon progress that the industry had already achieved through self regulation;
- Arrangements that should be introduced to vet people working in the industry, again to ensure consistency and, in particular, to exclude criminal elements, who abuse positions of trust in which the industry places them by committing criminal offences, and who as a consequence tarnish the image of the industry as a whole; and
- Companies providing a satisfactory service measured against relevant agreed standards should receive recognition to customers, through a voluntary inspection scheme.

- 2.3 The consultation that took place in relation to these proposals resulted in The Private Security Industry Act 2001 being enacted. This Act (with several sections omitted) came into force in Scotland on the 6th July 2006 and made provision for the Security Industry Authority (hereinafter referred to as the "SIA") to have responsibility for licensing individuals working within designated sectors of the Scottish private security industry and, under voluntary arrangements, the approval of Scottish suppliers of such services. It also required that everyone working within designated sectors of the industry would require a licence issued by the SIA, with those working in those sectors committing a criminal offence if they did not do so. In connection with these requirements, the Scottish Ministers have designated those involved in manned guarding and keyholding as currently requiring licences.
- 2.4 The SIA approves the suppliers of private security services through a voluntary scheme known as the "Approved Contractor Scheme" which reviews each contractor application against set criteria which include:
- SIA Licensed staff – A minimum of 85% of licensable staff must hold a licence at all times within the organisation;
 - Fit and proper organisation/management – The organisation whether, a company or firm as well as the directors and partners respectively must all be considered to be fit and proper;
 - Licensed Directors – All licensable directors must hold a valid SIA License or, have taken adequate steps to obtain one;
 - Significant complaints – All significant complaints or concerns against the organisation or its senior management require to have been investigated before the application is determined;
- 2.5 By using a contractor which has been approved by the SIA under this scheme the Council ensures that they are committed to customer service and the compulsory licensing of their staff. It also means that private security operatives deployed on premises or other properties will be working within the law.
- 2.6 Both Strathclyde Police and the Scottish Crime and Drugs Enforcement Agency are currently undertaking a high profile initiative in respect of serious organised crime groups across Scotland. This includes criminal groups who have been operating as, or financing, private security organisations in an attempt to secure publicly funded contracts, launder their criminal proceeds, extort private funds and use these organisations as a platform for criminal acts, including theft, fraud, acts of violence and fire-raising. As part of the ongoing initiative Strathclyde Police are looking to assist relevant public bodies, such as Councils, by providing appropriate information regarding the

involvement of individuals, groups and other forms of legal persona, e.g. limited companies, in serious organised crime, so that this may be properly taken into account when decisions are taken in respect of the awards of often lucrative contracts for security and taxi services, as well as in respect of the licensing of taxi operators and booking offices and licensed premises, etc.

- 2.7 The Police and the SCDEA are also looking to public bodies such as local authorities to adopt the Approved Contractor Scheme as a mandatory contractual requirement for all security companies thereby reducing the scope for rogue or unsuitable companies to continue to benefit from the awards of such contracts. Following a meeting on 9th October, 2009, between senior officers from Strathclyde Police, representatives from the three Ayrshire Councils and their respective Local Authority Liaison Officers, it was agreed that each of the Ayrshire Councils would be invited to consider and adopt this proposed approach.
- 2.8 The Council employs Trustcare (Scotland) Limited to provide security services for all of its existing premises and properties. This company is registered with the SIA under its approved contractors scheme. In order to protect the Council from any future exposure to organised crime groups that may operate private security organisations, it is suggested that it continue to use only those private security contractors registered by the Security Industry Authority under their approved contractor scheme to undertake security work on its behalf in any premises or, on any property which is owned or operated by it.

3 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications arising directly from this report. However, financial implications may arise in future when the Council seeks to procure the services of a private security contractor given, the additional requirements of SIA registration.

4 LEGAL IMPLICATIONS

- 4.1 There are no legal implications arising directly from this report.

5. COMMUNITY PLANNING IMPLICATIONS

- 5.1 In terms of the Community Plan, the Council are committed to the principles of creating safe places in which to live and work by reducing crime, improving public safety and improving safety in neighbourhoods. The proposals

contained within this report are therefore fully in accordance with the Community Plan.

6. RISK MANAGEMENT IMPLICATIONS

6.1 There are no risk management implications arising from this report. Trustcare (Scotland) Limited are registered by the SIA under their approved contractor scheme. The adoption of the proposed resolution will therefore have no effect of the ongoing service provision by them.

7. RECOMMENDATIONS

7.1 It is recommended that Council:-

- (i) resolves that all private security contractors, whether as principal or sub contractors, require to be licensed by the Security Industry Authority under their approved contractor scheme to provide security services to the Council in any premises or, on any property which is owned or operated by it; and
- (ii) otherwise note the contents of this report.

Elizabeth Morton
Depute Chief Executive/Executive Director of Corporate Support

19th November 2009
DM/CY

LIST OF BACKGROUND PAPERS

Nil

Any person wishing further information on this report should telephone David Mitchell, Head of Legal, Procurement and Regulatory Services on telephone number 01563 576161 or e-mail david.mitchell@east-ayrshire.gov.uk

Implementation Officer: David Mitchell, Head of Legal, Procurement and Regulatory Services