

## **Executive Note**

### **The Private Security Industry Act 2001 (Designated Activities)(Scotland) Order 2007 SSI/2007/398**

The order is made by Scottish Ministers in exercise of the powers conferred on them by Section 3 of the Private Security Industry Act 2001 (The 2001 Act).

## **Policy Objectives**

The Private Security Industry Act 2001 provides the regulatory framework for the Security Industry Authority (SIA) to regulate the private security industry in Great Britain. It has been in been in England and Wales since 2003 and in 2005 the Serious Organised Crime and Police Act 2005 made amendments, which were commenced in 2006, to extend the SIA's remit to Scotland. Licences are required by anyone who carries out activities which are set out in Schedule 2 to the Private Security Industry Act 2001, and are issued by the SIA where the applicant satisfies certain criteria around competence, criminality and right to live and work in the UK. Carrying out licensable activities or managing someone who carries these out without a licence is subject to criminal prosecution and carries a penalty of fine or imprisonment or both.

This order sets out the activities for which a person carrying them out will require to be licensed by the SIA. It will be an offence under the 2001 Act for any person to conduct these activities as laid out in Paragraphs 2 and 6 of Schedule 2 to that Act. The broad activities which will be licensable from 1 November are as follows:

- Manned guards;
- Door supervisors;
- Keyholders
- Close protection operatives;
- Cash and valuables in transit; and
- Public space surveillance (CCTV)

This will allow Scottish Ministers to achieve their policy objective of regulating the private security industry in Scotland to reduce criminality and drive up standards within the industry in order to increase public confidence and safety.

## **Consultation**

The Scottish Executive published a consultation paper "*Regulating the Private Security Industry in Scotland*" in 2001. This put forward four options for regulation including, self regulation by the industry, a mandatory local authority scheme, a specifically Scottish Authority, or extending the remit of the SIA to Scotland. The clear message from this exercise was that stakeholders wanted regulation and that the majority wanted it to be run by the SIA primarily to ensure cross border compatibility. In November 2004, a Regulatory Impact Assessment setting out the impact of regulation was published along with the Serious Organised Crime and Police Bill. Additionally, the provisions were subject to scrutiny in the Justice 2 Committee and a legislative consent motion debate in the Parliament on 2 February 2005. The SIA has conducted roadshows with the industry, its customers and other stakeholders as well as specific events with individual organisations. It has also produced regular updates to the industry, Parliament and business regarding the impact and actions required for them to be ready for licensing. In addition, the project manager, who was responsible for the Scottish Implementation Project, engaged widely with various organisations and individuals from the industry and other stakeholder groups.

## **Financial Effects**

With the creation of the offence of carrying out licensable activities without a Security Industry Authority issued licence, all those individuals who wish to work in a licensable sector will require a licence. A licence which is valid for 3 years costs £245 and, in order to qualify for one, training must be completed prior to application. Training costs vary dependent on the sector, but are around £300 per person. The licence is given to an individual and is tax deductible. Some companies are subsidising their employees' licence costs either by way of tax free loans or direct reimbursement.

**Police and Community Safety Directorate**  
**Police: Organised Crime and Support Services Division**  
**September 2007**